

**STATE OF ARKANSAS  
SECURITIES DEPARTMENT**

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IN THE MATTER OF  
BIO-BASED CHEMICALS, LLC

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ORDER PROVIDING A  
TRANSACTIONAL EXEMPTION  
FROM REGISTRATION  
NO. 03-90000314-NA013

**FINDINGS OF FACT**

1. On July 17, 2003, a letter was received by the Arkansas Securities Commissioner requesting that the proposed offering and sale of one hundred eighty (180) units (the "Units") of Bio-Based Chemicals, L.L.C. (the "Company"), to Mike Muccio (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 Units consists of half of the Units owned by TCH Investments, L.L.C. (the "Seller").
3. The buyer will be Mike Muccio (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 Units, and they have been 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. Moreover, the Buyer is involved in the management of the Company, and his father is one of the members. 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 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 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 the securities offered or sold in Arkansas for the proposed Transaction, if offered and sold in compliance with the representations made in the letters of July 14, 2003 and July 18, 2003, 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 22nd day of July 2003.

A handwritten signature in black ink, appearing to read "M. Johnson". The signature is stylized with a large, looped initial "M" and a cursive "Johnson".

MICHAEL B. JOHNSON  
ARKANSAS SECURITIES COMMISSIONER