

MIKE HUCKABEE
GOVERNOR

MICHAEL B. JOHNSON
COMMISSIONER



HERITAGE WEST BUILDING, SUITE 300
201 EAST MARKHAM STREET
LITTLE ROCK, ARKANSAS 72201-1692
TELEPHONE: (501) 324-9260
FACSIMILE: (501) 324-9268

ARKANSAS SECURITIES DEPARTMENT

October 26, 2004

Mr. James Bingaman
Roy, Lambert & Lovelace
2706 South Dividend Drive
P.O. Drawer 7030
Springdale, AR 72766-7030

Re: Mark L. Kuss Investment Agreement
Interpretive Opinion No. 04-90000325-NA008

Dear Mr. Bingaman:

The Arkansas Securities Department is in receipt of your request for an opinion concerning contemplated transactions involving your client, Mark L. Kuss. I spoke with you in detail by phone on October 13, 2004 regarding this matter. After reviewing your written request, my response to your request is unchanged from our telephone discussion. It appears your client's contemplated transactions, investments of \$10,000 each by two individuals, in the development, manufacturing and marketing of a camera accessory product, does involve the sale of securities. The two investors are giving their money to your client with the expectation of profiting from the efforts of someone else.

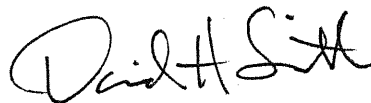
As I discussed with you by phone, there are registration exemptions available to address your client's situation. The Rules of the Arkansas Securities Commissioner, within Rule 504.01(A)(12)(a) and (f), provide self executing transactional exemptions for both the formation of a business organization and additional sales by an existing issuer. Specific provisions of these two rules will determine which, if either, of these Rules is applicable to your client's contemplated transactions. The Arkansas Securities Act and the Rules can be found on our website, www.state.ar.us/arsec, under the heading Legal Issues.

Please note that the position of this Department is based solely upon the representations made to us in your letters and applies only to the transactions identified herein. Different facts or circumstances might, and often would require a different response. The position expressed deals only with anticipated enforcement action by this Department and does not purport to be a legal opinion.

Mr. Bingaman
October 26, 2004
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Please call me at my direct number, 501-324-8694, with any questions concerning this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "David H. Smith". The signature is written in a cursive style with a large, stylized "D" and "S".

David H. Smith
Staff Attorney