

BEFORE THE ARKANSAS SECURITIES COMMISSIONER

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ARKANSAS SECURITIES DEPT.

IN THE MATTER OF

FIRST ARKANSAS INSURANCE/LITTLE
ROCK, INC. AND
NORTH AMERICAN INSURANCE AGENCY

ORDER PROVIDING A
TRANSACTIONAL EXEMPTION
FROM REGISTRATION

ORDER NO. 09-80008408-OR009

FINDINGS OF FACT

1. On March 23, 2009, a letter was received by the Arkansas Securities Commissioner requesting that a proposed step transaction (the “Transaction”) by which North American Insurance Agency, Inc., (the “Buyer”), will purchase approximately a fifty-one percent (51%) interest in FAI Risk Services, LLC., which is a wholly-owned subsidiary of First Arkansas Insurance/Little Rock, Inc., (the “Selling Shareholder”) be determined to be an exempt transaction pursuant to Ark. Code Ann. § 23-42-504(a)(12).

2. The Selling Shareholder is a corporation organized under the laws of the State of Arkansas. The interest involved in the Transaction is the sale of a controlling interest in a wholly-owned subsidiary of the Selling Shareholder.

3. The Buyer is a privately-held insurance corporation domiciled in Oklahoma.

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 Selling Shareholder and the Buyer have fully and completely been involved in the negotiation of the Transaction, and they have been represented by counsel in these negotiations. The Selling Shareholder 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 §23-42-504(a)(12) of the Act, the Commissioner may by order exempt certain transactions from §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 Selling Shareholder or the Buyer to be required to register the Transaction under the Act for the purposes of the contemplated offering.

OPINION

In recognition of the representations made by the Selling Shareholder and the Buyer, it appears registration of this Transaction is unnecessary in this instance.

This order does not exempt the Selling Shareholder or the Buyer from any other provisions of the Act, including the antifraud provisions.

ORDER

IT IS THEREFORE ORDERED that securities offered or sold in Arkansas in the proposed Transaction, if offered and sold in compliance with the representations made in the letter of March 20, 2009, and the attached exhibits, 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 3rd day of April, 2009.


A. HEATH ABSHURE
Securities Commissioner