

BEFORE THE ARKANSAS SECURITIES COMMISSIONER

Case No. S-10-0153

Order No. S-10-0153-11-OR01

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ARKANSAS SECURITIES DEPT.

**IN THE MATTER OF
THE HOME BUSINESS CORPORATION d/b/a
EMAILWE.COM COMMUNICATIONS;
DARELL WOODARD;
and MARVIN JACKSON**

RESPONDENTS

CEASE AND DESIST ORDER

On January 3, 2011, the Staff of the Arkansas Securities Department (“Staff”) filed its Request for a Cease and Desist Order and on February 7, 2011, filed an Amended Request for a Cease and Desist Order (collectively, “Request”). In its Request the Staff states that it has information and certain evidence which indicates that The Home Business Corporation d/b/a Emailwe.com Communications (“Emailwe”), Darell Woodard (“Woodard”), and Marvin Jackson (“Jackson”) (collectively, “Respondents”) have violated provisions of the Arkansas Securities Act (“Act”), codified at Ark. Code Ann. §§ 23-42-101 through 23-42-509. The Arkansas Securities Commissioner (“Commissioner”) has reviewed the Request and based upon the representations made therein finds that:

FINDINGS OF FACT

The Request contains the following representation of fact:

1. Emailwe is a corporation registered to do business in the state of Tennessee with its principal office located at 4751 Daphne Road, Memphis, Tennessee 38118.
2. Darell Woodard (“Woodard”) is believed to be a resident of Memphis, Tennessee, and is listed as the Co-President and CEO of Emailwe.

3. Marvin Jackson (“Jackson”) is believed to be a resident of Memphis, Tennessee, and is listed as the Co-President and CEO of Emailwe.

4. On a flyer found in the Jackson County, Arkansas Courthouse, Woodard and Jackson were listed as financial presenters for an Emailwe investment seminar in Newport, Arkansas, on December 12, 2010, that offered consumers a chance to buy shares of Emailwe for eight dollars a share. A copy of the flyer is attached as Exhibit A to the Request.

5. Emailwe has a website that encourages potential investors to purchase Emailwe shares. The website is located at <http://emailwe.com> and <http://www.thehomemailbiz.com> (collectively, “website”).

6. The Emailwe website encourages potential investors to purchase shares of Emailwe and buy into a “ground floor investment opportunity” for eight dollars a share.

7. The website displays projections that promise a 200% return in 5 years on an investment. As an example, the projections show that a \$3,000 investment for 375 shares will produce a return of \$7,028,250 over 5 years. The website guarantees that if there is not a 200% return in 5 years, then investors will be refunded 100% of their investment.

8. Potential investors are encouraged to complete a “stock subscription form” on the website and notify Emailwe of the desired number of common stock shares the potential investor wishes to purchase. A company representative will contact the potential investor within twenty-four hours or one business day.

9. Respondents failed to state material facts necessary in order to make the statements made on the website, in the light of the circumstances under which they were made, not misleading statements of material facts in connection with the offer and sale of securities:

- a. The website shows investors projections of a profitable email company and promised returns of up to \$7,028,250 within 5 years.
- b. Respondents failed to provide a reasonable basis for the financial projections and any limitations on those projections. The projected returns on an investment for a company with no operating history are misleading and unrealistic.
- c. Respondents failed to disclose any kind of risks or disclosures to the investors such as:
 - i. A complete description of Woodard's and Jackson's business background;
 - ii. Risk of inadequate capitalization;
 - iii. Information about competitors in the industry;
 - iv. Risk of investing in a start-up company with no operating history; and
 - v. Any other general or specific risk involved in investing in an internet email company.

10. In regard to the securities offered herein, a search of the records of the Arkansas Securities Department ("Department") shows no registration or proof of exemption in accordance with the Act and no notice filing in accordance with federal law in connection with a covered security.

CONCLUSIONS OF LAW

11. Ark. Code Ann. §§ 23-42-102(15)(A)(ii) and (xi) includes stock and investment contracts, respectively, as securities. The investment opportunities offered herein are securities pursuant to Ark. Code Ann. §§ 23-42-102(15)(A)(ii) and (xi).

12. Ark. Code Ann. § 23-42-501 provides that it is unlawful for any person to offer or

sell any security which is not registered or which is not exempt from registration under the terms of the Act. The facts set out above in paragraphs one through ten illustrate that Emailwe and Woodard and Jackson, as co-presidents and CEOs of Emailwe, offered unregistered securities in violation of Ark. Code Ann. § 23-42-501.

13. Ark. Code Ann. § 23-42-507(2) states that it is unlawful for any person in connection with the offer or sale of any security, directly or indirectly, to make any untrue statement of material fact or omit to state a material fact necessary in order to make the statements made not misleading in light of the circumstances under which they are made. The facts set out above in paragraphs one through ten show that Emailwe and Woodard and Jackson, as co-presidents and CEOs of Emailwe, committed securities fraud in violation of Ark. Code Ann. § 23-42-507(2).

14. Ark. Code Ann. § 23-42-209(a)(1)(A) provides that whenever it appears to the Commissioner upon sufficient grounds or evidence satisfactory to the Commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of the Act, the Commissioner may summarily order the person to cease and desist from the act or practice. Respondents have engaged in conduct that violates the Act. Based upon the seriousness of the violations, the recurrent nature of the violations, the opportunity to commit future violations, the degree of harm to investors resulting from the violations, and the remedial function to be served by this Cease and Desist Order, this Cease and Desist Order is in the public interest and appropriate.

15. The seriousness of the violations described above should not be taken lightly as violations of Ark. Code Ann. §§ 23-42-501 and 507 can give rise to civil liability under Ark.

Code Ann. § 23-42-106.

ORDER

16. Respondents shall immediately cease and desist from further violations of Ark. Code Ann. §§ 23-42-501 and 507; refrain from offering or selling any security in Arkansas unless such security is registered pursuant to the Act, exempt from registration, or a covered security; and immediately cease and desist from engaging in any fraudulent activity in connection with the offer or sale of any securities in Arkansas.

17. A hearing on this Cease and Desist Order shall be held if requested by the Respondents in writing within thirty days of the date of the entry of this Cease and Desist Order or if otherwise ordered by the Commissioner. Ark. Code Ann. § 23-42-209(a)(2)(A). Such request should be addressed to the Commissioner and submitted to the following address:

Arkansas Securities Commissioner
201 East Markham, Suite 300
Little Rock, Arkansas 72201

18. If no hearing is requested and none is ordered by the Commissioner, this Cease and Desist Order will remain in effect until it is modified or vacated by the Commissioner. Ark. Code Ann. § 23-42-209(a)(2)(B).

Dated this 7th day of February, 2011.



A. Heath Abshure
Arkansas Securities Commissioner