

**STATE OF ARKANSAS**  
**SECURITIES DEPARTMENT**

IN THE MATTER OF

ORDER PROVIDING A WAIVER OF  
CERTAIN PROVISIONS OF THE  
EXEMPTION PURSUANT TO ARK.  
CODE ANN. § 23-42-504(A)(9)(B)

CENTRAL ARKANSAS PRIMARY  
CARE PHYSICIANS, INC.

NO. 99-044-S

**FINDINGS OF FACT**

1. On August 4, 1999, a letter was received by the Arkansas Securities Commissioner requesting that the proposed offering and sale of common stock (the "Shares") in Central Arkansas Primary Care Physicians, Inc. (CAPCP), (the "Company") to physicians licensed to practice medicine who maintain their principal residences in the State of Arkansas, particularly, the Central Arkansas area (the "Transaction") be determined to be an exempt transaction pursuant to Ark. Code Ann. § 23-42-504(a)(9).
2. The Company is a corporation organized under the laws of the State of Arkansas. The Company is an Independent Practice Association ("IPA") formed for the purpose of coordinating the delivery of and providing or arranging for the provision of affordable health care services to certain eligible individuals living in Central Arkansas.
3. The Company has filed a proof of exemption pursuant to Ark. Code Ann. §23-42-504(a)(9) and Rule 504.01(a)(9) of the Rules of the Arkansas Securities Commissioner (the "Rules").
4. The Shares are being offered to physicians licensed to practice medicine in the State of Arkansas and residing in the Central Arkansas area. The Company is authorized to issue up to thirty thousand (30,000) shares of common stock, par value \$.01. Seven shares have already been issued. The Company has represented that at this time sales will not be made to more than one hundred (100) purchasers during any period of twelve (12) consecutive months. Each purchaser will acquire only one (1) share of common stock. The company has requested a waiver of the number of purchasers permitted in order to permit sales to no more than one hundred (100) purchasers during any period of twelve consecutive months.

**CONCLUSIONS OF LAW**

5. Under Section 23-42-504(a)(9)(B) of the Act, the Commissioner may by rule or order, as to any type of security or transaction, withdraw or further condition this exemption, or increase or decrease the number of purchasers permitted, or waive the conditions of subdivisions (a)(9)(A)(i) and (ii) of this section with or without the substitution of a limitation on remuneration.
6. It is not necessary or appropriate in the public interest for the protection of investors for the Company to be required to register the Transaction under the Act for the purposes of the contemplated offering.
7. It is not necessary or appropriate in the public interest for the protection of investors for the Company 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 Company, it appears registration of this Transaction is unnecessary in this instance.

This order does not exempt the Company from the antifraud provisions of the Act.

**ORDER**

IT IS THEREFORE ORDERED that any securities of the Central Arkansas Primary Care Physicians, Inc. offered or sold in Arkansas for the proposed Transaction, if offered and sold in compliance with the representations made in the letter of August 4, 1999, 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 10<sup>th</sup> day of August, 1999.

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MAC DODSON

SECURITIES COMMISSIONER