

STATE OF ARKANSAS
SECURITIES DEPARTMENT

IN THE MATTER OF

SUMMARY ORDER

DISALLOWING EXEMPTION

FROM REGISTRATION

THE AMERICAN BAPTIST

EXTENSION CORPORATION

ORDER NO. 98-003-S

FINDINGS OF FACT

1. On December 11, 1996, the above referenced Issuer filed, or had filed on its behalf, a proof of exemption pursuant to Ark. Code Ann. Sections 23-42-503(a)(7) and 2342-503(d), hereinafter referred to as the Arkansas Securities Act ("Act"), and the applicable Rules promulgated thereunder ("Rules"), to exempt from registration certain securities to be offered for sale in this state.
2. The application and attendant documentation is materially incomplete in that certain information necessary to satisfy the Act and proof of exemption requirements thereof has not been riled with the Department by the Issuer. The Issuer was notified by telephone within five (5) days of the riling of the proof of exemption that it was deficient because it was not complete.
3. On February 28, 1997, April 3, 1997 and July 1, 1997, the Staff of the Department notified the applicant by certified letter of the deficiencies in the riling made by the Issuer. Those deficiencies have not been corrected.

CONCLUSIONS OF LAW

4. The Act provides for an exemption from registration for several types of securities and certain transactions under a variety of conditions and restrictions pursuant to Sections 23-42-503 and 504. However, before any security is issued as an exempt transaction under Section 23-42-503(a)(7) of the Act, a proof of exemption must be filed with the Arkansas Securities Commissioner (the "Commissioner") and the Commissioner must not have disallowed it within five (5) business days of its filing. Ark. Code Ann. Section 23-42-503(d)(1). Pursuant to Rule 601.06C, an exemption may be disallowed if the Issuer is notified within five (5) days of filing of deficiencies either by letter or telephone.
5. Pursuant to Rule 601.06C and D, the Staff may file a complaint to disallow, deny or revoke an exemption or the Commissioner may summarily disallow, deny or revoke an exemption. If a Complaint or Summary Order is entered, all interested parties shall be notified by certified U.S. Mail, and that within fifteen (15) days of receipt by the Commissioner of a written request, a hearing will be set.

OPINION

6. Summary disallowance of the exemption herein is in the public interest and is warranted because the Issuer has failed to complete or withdraw the proof of exemption within ninety

(90) days of the date of notification by the Commissioner of deficiencies in the filing.

ORDER

IT IS THEREFORE ORDERED that, pursuant to Rule 504.03(b)D, the Issuer's application for exemption from registration of securities is summarily disallowed. The parties are hereby notified of their right to a hearing on this matter within fifteen (15) days of the receipt by the Commissioner of a written request for a hearing. Should no request for a hearing be received by the Commissioner within fifteen (15) days from receipt of this Order, the right to a hearing will be deemed waived.

WITNESS MY HAND AND SEAL this 21st day of January, 1998.

MAC DODSON

SECURITIES COMMISSIONER