

STATE OF ARKANSAS
SECURITIES DEPARTMENT

IN THE MATTER OF

ORDER PROVIDING A
TRANSACTIONAL EXEMPTION
FROM REGISTRATION

SEA BANCSHARES, INC.

NO. 99-022-S

FINDINGS OF FACT

1. On May 27, 1999, a letter was received by the Arkansas Securities Commissioner requesting that the proposed offering and sale of approximately sixty-seven percent (67%) of the shares of the capital stock (the "Stock") of SEA Bancshares, Inc. (the "Company"), to Delta Trust & Banking Corporation (the "Transaction"), be determined to be an exempt transaction pursuant to Ark. Code Ann. § 23-42-504(a)(12).
2. The Company is a corporation organized under the laws of the State of Arkansas. The Stock consists of approximately sixty-seven percent (67%) of the issued and outstanding shares of the capital stock of the Company owned by one corporate and seven individual shareholders (the "Sellers").
3. The buyer will be Delta Trust and Banking Corporation (the "Buyer").
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 Sellers and the Buyer have fully and completely been involved in the negotiation of an agreement for the sale of the Stock, and they have been, or had the opportunity to be represented in these negotiations by counsel. The Sellers 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

5. Under Section 23-42-504(a)(12) of the Act, the Commissioner may by order exempt certain transactions from Sections 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.
6. It is not necessary or appropriate in the public interest for the protection of investors for the Sellers 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 Sellers 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 Sellers, it appears registration of this Transaction is unnecessary in this instance.

This order does not exempt the Seller or the Buyer from the antifraud provisions of the Act.

ORDER

IT IS THEREFORE ORDERED that securities offered or sold in Arkansas for the proposed Transaction, if offered and sold in compliance with the representations made in the letter of May 27, 1999, 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 28th day of May 1998.

MAC DODSON
SECURITIES COMMISSIONER