

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

IN THE MATTER OF

ORDER PROVIDING A  
TRANSACTIONAL EXEMPTION  
FROM REGISTRATION

EFT NETWORK SERVICES, LLC

NO. 99-041-S

**FINDINGS OF FACT**

1. On August 3, 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 units of interest (the "Units") of EFT Network Services, LLC (the "Company"), to Arkansas Systems, Inc. (the "Transaction"), be determined to be an exempt transaction pursuant to Ark. Code Ann. § 23-42-504(a)(12).
2. The Company is a limited liability company organized under the laws of the State of Arkansas whose sole members are First United Bancshares, Inc. ("First United"), Metropolitan National Bank ("MNB"), and Arkansas Systems, Inc. The Units consist of approximately sixty-seven percent (67%) of the issued and outstanding units of interest of the Company owned by First United and MNB (collectively, the "Sellers").
3. The buyer will be Arkansas Systems, Inc., an Arkansas corporation (the "Buyer"), which currently owns the other thirty-three percent (33%) of the units of interest of the Company and upon consummation of the Transaction, will own one hundred percent (100%) of said units.
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 Units, and they have been, or had the opportunity to be represented in these negotiations by counsel. As a member of the company, 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 First United and MNB, it appears registration of this Transaction is unnecessary in this instance.

This order does not exempt the Sellers 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 August 3, 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 4th day of August, 1999.

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ANN MCDOUGAL  
DEPUTY SECURITIES COMMISSIONER