

STATE OF ARKANSAS
SECURITIES DEPARTMENT

IN THE MATTER OF

MILTON CHANEY;
ROBERT (PECK) TRAVIS;
GCS DEVELOPMENT CORPORATION;
AND, DIRECTORS, OFFICERS,
EMPLOYEES OF GCS
DEVELOPMENT CORPORATION

ORDER DIRECTING
INVESTIGATION AND
EMPOWERING OFFICER
PURSUANT TO ARK. CODE
ANN. § 23-42-205

NO. 99-047-S

I.

The staff of the Arkansas Securities Department has in its possession certain evidence which, if true, indicates that GCS Development Corporation, Milton Chaney, and Robert (Peck) Travis have violated various sections of the Arkansas Securities Act ("Act"), including but not limited to:

Ark. Code Ann. § 23-42-501, which makes it unlawful for any person to offer or sell any security in this State unless:

- (1) It is registered under the Act; or
- (2) The security or transaction is exempted under §§ 23-42-503 or 23-42-504; or
- (3) It is a covered security.

Ark. Code Ann. § 23-42-507, which makes it unlawful for any person in connection with the offer, sale or purchase of any security, directly or indirectly:

- (1) to employ any device, scheme, or artifice to defraud;
- (2) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, or;
- (3) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

II.

The Arkansas Securities Commissioner is empowered by Ark. Code Ann. § 23-42-205 to make investigations to determine whether any provision of the Arkansas Securities Act or any rule or order promulgated pursuant thereto has been violated.

III.

The Arkansas Securities Commissioner, or any officer designated by him, is further empowered by Ark. Code Ann. § 23-42-205 to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, agreements, or other documents or records which are deemed to be relevant.

IT IS THEREFORE THE ORDER OF THE SECURITIES COMMISSIONER OF THE STATE OF ARKANSAS, pursuant to Ark. Code Ann. § 23-42-205, that an investigation be commenced to determine what action, if any, should be taken in the above referenced matter, and the Securities Commissioner hereby appoints Bruce H. Bokony and Charles Kelemen, as officers for the Department, pursuant to Ark. Code Ann. § 23-42-205 as aforesaid, to conduct an investigation and administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, correspondence, memoranda, agreements and other documents and records which are deemed to be relevant.

IT IS FURTHER ORDERED that all documents, written memoranda, testimony and other information obtained pursuant to this Order be restricted to the non-public files of the Department until or unless otherwise released, in writing, by subsequent order of the Commissioner.

WITNESS MY HAND AND SEAL THIS 23th DAY OF AUGUST 1999.



MAC DODSON
SECURITIES COMMISSIONER