

STATE OF ARKANSAS
SECURITIES DEPARTMENT

IN THE MATTER OF

ORDER PROVIDING A
TRANSACTIONAL EXEMPTION
FROM REGISTRATION

EDWIN WELLS SHAVINGS, INC.

No. 99-068-S

FINDINGS OF FACT

1. On November 16, 1999, a letter was received by the Arkansas Securities Commissioner, requesting that the proposed acquisition of all shares of the issued and outstanding capital stock (the "Stock") of Edwin Wells Shavings, Inc. ("EWS") by Central Shavings, Inc. ("CSI") (the "Transaction"), be determined to be an exempt transaction pursuant to Ark. Code Ann. Section 23-42-504(a)(12). The acquisition will be pursuant to a stock purchase agreement whereby CSI will obtain all of the stock of EWS and EWS will in turn receive consideration for the Stock in the form of cash and Notes.
2. EWS is a corporation organized under the laws of the State of Arkansas and is domesticated in Arkansas. CSI is a corporation organized under the laws of the State of Arkansas and is domesticated in Arkansas. The Stock consists of fifty (50) shares of common stock of EWS owned by Edwin Wells and fifty (50) shares of common stock owned by Melanie Wells (Edwin and Melanie Wells shall be referred to collectively as "Sellers").
3. The buyer will be CSI (the "Buyer").
4. In connection with the transaction, a commission will be paid to Bob Cantrell, with Cantrell-Waind & Associates, Inc. ("CWA"). CWA is a business broker headquartered in Fayetteville, Arkansas.
5. An exemption from registration has been requested pursuant to the Commissioner's discretionary authority under Ark. Code Ann. Section 23-42-504(a)(12). The Sellers and the Buyer have fully and completely been involved in the negotiation of an agreement for the acquisition of the Stock, and they have had the benefit of counsel. The Buyer has had access to financial and other information concerning EWS 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") is designed to protect by requiring registration, particularly when what is involved is the sale of a business.

CONCLUSIONS OF LAW

6. 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.
7. It is not necessary or appropriate in the public interest for the protection of investors for EWS or the Sellers to be required to register the Stock under the Act for the purposes of the Transaction.
8. 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 Company's securities.

OPINION

In recognition of the representations made by the Sellers, it appears registration of this sale of shares of common stock is unnecessary in this instance.

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

ORDER

IT IS THEREFORE ORDERED that the Stock of EWS offered and sold in Arkansas in connection with the proposed Transaction, if offered and sold in compliance with the representations made in the letter of November 16, 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 the 22 day of November 1999.



MAC DODSON
SECURITIES COMMISSIONER