

IN THE MATTER OF:

**PEOPLES HOMES BUILDERS, INC.  
PEOPLE HOME BUILDERS CORP. and  
KING JAMES PRIDGEON**

**RESPONDENTS**

**REQUEST FOR ISSUANCE OF CEASE AND DESIST ORDER**

The Staff of the Arkansas Securities Department (“Staff”), for its Request for Issuance of Cease and Desist Order, states:

**I. ADMINISTRATIVE AUTHORITY**

1. This matter is brought in connection with violations of the Arkansas Securities Act, Ark. Code Ann. § 23-42-101 – 509 (the “Act”) and is therefore properly before the Arkansas Securities Commissioner (“Commissioner”).

**II. RESPONDENTS**

2. Peoples Homes Builders Inc. (“PHBI”) is a corporation organized and existing under the laws of the state of Arkansas, with its principal place of business in Pine Bluff, Arkansas.

3. People Home Builders Corp. (“PHBC”) is a corporation organized under the laws of the state of Arkansas. According to records maintained by the Arkansas Secretary of State, PHBC was dissolved on April 26, 2004.

4. King James Pridgeon (“Pridgeon”) is a resident of Pine Bluff, Arkansas. At all times relevant to this request, Pridgeon was acting as an agent of PHBI and PHBC. According to records obtained by the Staff, Pridgeon holds the title of President of PHBI and President of PHBC.

### **III. FACTS TO BE PRESENTED BY THE STAFF**

5. On July 30, 2009, a complaint was received by the Arkansas Securities Department (“Department”) regarding a stock offering involving PHBI and PHBC. According to the complainant, a flyer describing a stock offering was posted in a U.S. Post Office in Pine Bluff, Arkansas. A copy of the flyer is attached hereto as Exhibit A.

6. The flyer stated in part that “People Home Builders, Inc. is now offering stock in Peoples Home Builders Corporation. Shares can be purchased at Bank of America.”

7. On July 30, 2009, the Staff sent a written request for information to Pridgeon. A copy of the request is attached hereto as Exhibit B.

8. On August 14, 2009, Pridgeon sent a handwritten letter to the Staff in response to the request for information. A copy of the letter from Pridgeon is attached hereto as Exhibit C.

9. In the response, Pridgeon admitted that he was President of “People Home Builder Inc.” Pridgeon further admitted that he has offered “stock in People Home Builder Inc.” to the public. *See* Exhibit C.

10. No registration statement was filed with the Arkansas Securities Department or was in effect with respect to any securities issued by PHBI or PHBC. Further, no exemption filing has been made with the Department with regard to the offer and sale of any securities issued by PHBI or PHBC.

### **IV. APPLICABLE LAW**

11. Ark. Code Ann. § 23-42-102(15)(A)(ii) states that a “security” includes “stock.”

12. Ark. Code Ann. § 23-42-501 provides that it is unlawful for any person to offer or sell any security which is not registered or which is not exempt from registration under the terms of the Act.

## **V. CONCLUSIONS OF LAW**

13. PHBI, PHBC, and Pridgeon have violated Ark. Code Ann. § 23-42-501 by offering securities for sale in Arkansas at a time when the securities were not registered or exempt.

14. The conduct, acts, and practices of PHBI, PHBC, and Pridgeon threaten immediate and irreparable public harm. A cease and desist order is in the public interest and is appropriate pursuant to Ark. Code Ann. § 23-42-209.

## **VI. LEGAL AUTHORITY TO ISSUE CEASE AND DESIST ORDER**

15. Whenever it appears to the Commissioner, upon sufficient grounds or evidence satisfactory to the Commissioner, that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of the Act or any rule or order under the Act, the Commissioner may summarily order the person to cease and desist from the act or practice. *See* Ark. Code Ann. § 23-42-209.


16. The Commissioner is empowered by Ark. Code Ann. § 23-42-205(a) (Repl. 2000), to make any public or private investigations within or outside of this state which he deems necessary to determine whether any person has violated or is about to violate any provision of the Act or any rule or order issued or promulgated under the Act, or to aid in the enforcement of the Act.

## **VII. PRAYER FOR RELIEF**

WHEREFORE, the Staff respectfully requests that the Commissioner order Peoples Homes Builders Inc., People Home Builders Corp., King James Pridgeon, and others unknown to the Staff connected with those persons to immediately CEASE AND DESIST from offering or selling any security in Arkansas until the security is properly registered or is offered or sold

pursuant to an exemption from registration under the Arkansas Securities Act; that the Commissioner order that an investigation be commenced into other potential violations of the Act by Respondents, including but not limited to fraud; and for all other relief to which the Staff may be entitled.

Reed R. Edwards (Ark. Bar No. 96196)  
Staff Attorney  
ARKANSAS SECURITIES DEPARTMENT  
201 East Markham Street, Suite 300  
Little Rock, Arkansas 72201  
Telephone: (501) 324-8670  
Facsimile: (501) 324-9268

By:   
\_\_\_\_\_  
Reed R. Edwards

*Attorney for the Staff of the Arkansas  
Securities Department*

People Home Builders, Inc. is now offering stock in Peoples Home Builders Corporation. Shares can be purchased at Bank of America.

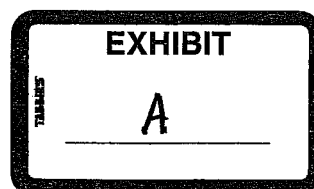
To purchase stock, one must go to Bank of America and deposit the amount of money that they want in shares at \$4.00 per share.

Their limit is 25 shares per person. To purchase, go to Bank of America. The corporate account number is 3742. After making your deposit, mail a copy of your deposit receipt to People Home Builders, Inc., 909 W. 2nd Ave., Pine Bluff, AR 71601, with one dollar, and a certificate of stock will be mailed to you.

Dividend will be paid annually. All shares can be sold back to the corporation after one year at 100% of corporation asset value per share.

Thank You,  
People Home Builders, Inc.

P.S. For more information, call (870) 536-1212, from 8:00 a.m. to 10:00 a.m.



MIKE BEEBE  
GOVERNOR

A. HEATH ABSHURE  
COMMISSIONER



HERITAGE WEST BUILDING, SUITE 300  
201 EAST MARKHAM STREET  
LITTLE ROCK, ARKANSAS 72201-1692  
TELEPHONE: (501) 324-9260  
FACSIMILE: (501) 324-9268

## ARKANSAS SECURITIES DEPARTMENT

July 30, 2009

Mr. King James Pridgeon  
People Home Builders Corp.  
909 W 2<sup>nd</sup> Ave.  
Pine Bluff, AR 71601

RE: Request for information concerning People Home Builders Corp. ("Company").

Dear Mr. Pridgeon:

The Arkansas Securities Department (Department) has received information concerning the existence of the Company listed above. The Department is charged with the regulation of the securities business as well as the enforcement of the securities laws in Arkansas. This letter should not be interpreted by you as any indication that the Department believes you or the Company has violated any securities laws. Nevertheless, it is the Department's duty to conduct inquiries in the nature of businesses, which might be subject to regulation by the Department.

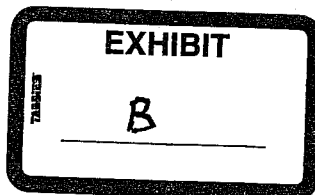
Please provide a written response to this letter by providing in detail the type and nature of your business. In addition, the Department would like to know whether you individually, or you on behalf these Company, transact any business in securities. Specifically, you need to detail any business activities by yourself or the Company that involve the solicitation, offer and sale of securities, as well as any investment advice provided to the public by the officers and/or employees of the Companies. Please refer to the Arkansas Securities Act ("Act") for information regarding securities. The Act can be found under the Legal tab on the Department's website at [www.securities.arkansas.gov](http://www.securities.arkansas.gov).

The Department looks forward to your prompt attention to this matter and shall expect your written response to this letter on or before August 12, 2009.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kurt Sims".

Kurt Sims  
Securities Examiner  
201 E. Markham, Suite 300  
Little Rock, AR 72201  
(501) 683-0812  
[ksims@securities.arkansas.gov](mailto:ksims@securities.arkansas.gov)



AUGUST 14, 09

THIS BUSINESS IS A HOME —  
BUILDING BUSINESS. I King James —  
Nigeria Am President of PEOPLE  
HOME BUILDER INC. WE ARE OFFERING  
STOCK IN PEOPLE HOME BUILDER INC  
YES WE HAVE TRANSACTED BUSINESS  
WE HAVE OFFERED STOCK TO THE  
PUBLIC

THINK YOU  
KING JAMES NIGERIA  
PRESIDENT & FOUNDER  
PEOPLE HOME BUILDERS  
INC.

