

STATE OF ARKANSAS  
SECURITIES DEPARTMENT

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IN THE MATTER OF

ORDER PROVIDING A  
TRANSACTIONAL EXEMPTION  
FROM REGISTRATION  
NO. 00-008-S

SIGMA PLASTICS, CORP. and  
BEATY & GILLSON HOLDING, LLC

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FINDINGS OF FACT

1. On March 15, 2000 a letter was received by the Arkansas Securities Commissioner requesting that the proposed offering and sale of 233.33 shares of the capital stock (the "Stock") of Sigma Plastics, Corp. (the "Corporation") and 250 membership interests "(Membership Interests") in Beaty & Gillson Holdings, LLC (the "Company") to Great Western Resources Corporation (the "Transaction") be determined to be an exempt transaction pursuant to Ark. Code Ann. Section 23-42-504(a)(12).

2. The Corporation is a corporation organized under the laws of the State of Arkansas. The Company is a member-managed limited liability company organized under the laws of the State of Arkansas.

3. The Stock and the Membership Interests are presently owned by Robert G. Gillson, Jr. ("the Seller"), a resident of the State of Arkansas.

4. The Buyer will be Great Western Resources, Corporation (the "Buyer"), a corporation organized under the

laws of the State of Arkansas. All the issued and outstanding capital stock of the Buyer is owned by three (3) individuals, all of whom are residents of the State of Arkansas. Two (2) of the Buyer's shareholders, who collectively own controlling interest in the Buyer and who are directors and officers of the Buyer, are also directors and officers of the Corporation and own the majority of the remaining capital stock of the Corporation. They are also members of the Company, owning all the remaining membership interests in the Company. One of those individuals has shared responsibility for the day-to-day management and operation of respective businesses of the Corporation and the Company.

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 Seller, the Buyer and the Buyer's shareholders have been fully involved in the negotiation of an agreement for the sale of the Stock and the Membership Interest. The Buyer and a majority of the Buyer's shareholders, including the individual who is not also a shareholder of the Corporation or a member of the Company, have been represented in these negotiations by independent legal counsel. The Buyer and the Buyer's shareholders will have access to financial and other information concerning the Corporation and the Company 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

1. 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.

2. It is not necessary or appropriate in the public interest for the protection of investors for the Seller to be required to register the Transaction under the Act for the purposes of the contemplated offering.

3. It is not necessary or appropriate in the public interest for the protection of investors for the Seller to be required to engage the services of a registered agent for the purpose of making sales of the Stock and Membership Interests.

#### OPINION

In recognition of the representations made by the Seller, it appears registration of the Stock and the Membership Interest is unnecessary in this instance.

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

ORDER

IT IS THEREFORE ORDERED that the sale of the Stock and the Membership Interest, if offered and sold in compliance with the representations made in the letter of March 15, 2000, 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 20<sup>th</sup> day of March, 2000.

A handwritten signature in cursive script, appearing to read "Mac Dodson", is written over a horizontal line.

MAC DODSON  
SECURITIES COMMISSIONER