

STATE OF ARKANSAS
SECURITIES DEPARTMENT

IN THE MATTER OF

ORDER PROVIDING A
TRANSACTIONAL EXEMPTION
FROM REGISTRATION
NO. 04-80005277-OR010

City Plumbing and Electric, Inc.

FINDINGS OF FACT

1. On December 22, 2004, a letter was received by the Arkansas Securities Commissioner requesting that the proposed offering and sale of fifty percent (50%) of the issued and outstanding capital stock (the "Stock") of City Plumbing and Electric, Inc. (the "Company") equally to Richard Bonte, Ronald Carroll and Elwen Guthrie (the "Transaction") be determined to be an exempt transaction pursuant to Arkansas Code Annotated § 23-42-504(a)(12).

2. The Company is a corporation organized under the laws of the State of Arkansas. The Stock shall consist of fifty percent of the issued and outstanding capital stock of the Company owned by Bobby Hood (the "Seller").

3. The Buyers will be, equally, Richard Bonte, Ronald Carroll and Elwen Guthrie : (the "Buyers").

4. An exemption from registration has been requested pursuant to the Commissioner's discretionary authority under Arkansas Code Annotated § 23-42-

504(a)*12). The Seller and the Buyer have fully and completely been involved in the negotiation of an agreement for the sale of the Stock. Buyer and Seller have represented themselves in these negotiations. Corporate counsel has been engaged to draft the negotiated terms. Buyers are presently represented by attorney Jonathan Jones. Seller is not presently represented by counsel. The Buyers have had access to financial and other information concerning 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 § 23-042-504(a)(12) of the Act, the Commissioner may by order exempt certain transactions from § 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 Company's securities.

OPINION

In recognition of the representations made by the Seller, it appears registration of this offering of shares of common stock 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 any securities of "Company" offered or sold in Arkansas for the proposed Transaction, if offered and sold in compliance with the representations made in the letter of December 9, 2004 and in accordance with the Findings of Fact stated herein, shall be exempted from § 23-42-501 and 23-42-502 of the Act.

WITNESS MY HAND AND SEAL this 29th day of December, 2004.



MICHAEL JOHNSON
SECURITIES COMMISSIONER