

STATE OF ALABAMA  
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF: )

USA MEATS, INC )  
CARL DOUGLAS SMEDLEY )

RESPONDENTS )

ADMINISTRATIVE ORDER  
NO. CD – 2010- 0061

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities, into, within or from the state of Alabama, has determined as follows:

RESPONDENTS

1. USA MEATS, INC ("USA MEATS") is a Nevada Domestic Corporation with a business address of 2171 W. William #267, Fallon, NV 89406. USA MEATS provides wholesale Halal meats to large brokers and distributors throughout the United States. USA MEATS is currently not registered with the Alabama Securities Commission in any capacity.

2. CARL DOUGLAS SMEDLEY ("SMEDLEY") is listed as the President and Director of USA MEATS with a home address of 28486 Wildcat Road, Manton, CA 96059. SMEDLEY is currently not registered with the Alabama Securities Commission in any capacity.

STATEMENT OF FACTS

3. In September, 2009, an Alabama resident was solicited by SMEDLEY, who offered the Alabama resident an opportunity to invest in his company, USA MEATS. It

was represented to the Alabama resident that USA MEATS was in the process of starting up and was raising funds for initial operating capital.

4. On October 16, 2009, the Alabama resident transferred \$25,000.00 from a Morgan Stanley/Smith Barney IRA account to the Wells Fargo Bank account of USA MEATS located in Eagle Rock, CA. Between December 30, 2009, and January 29, 2010 the Alabama investor transferred an additional \$24,000.00 from the Morgan Stanley/Smith Barney IRA account to the Wells Fargo Bank account of USA MEATS.

5. On February 19, 2010, the Alabama investor was issued a stock certificate from SMEDLEY for Eight Hundred Thousand shares of stock in USA MEATS, INC. The certificate was signed by SMEDLEY.

6. On August 6, 2010, a review of the Alabama Securities Commission registration files disclosed no record of registration for RESPONDENTS as a Dealer, Agent, Investment Advisor, or Investment Advisor Representative in the state of Alabama.

#### CONCLUSIONS OF LAW

7. Pursuant to Section 8-6-2(10) Code of Alabama 1975, defines a "stock and a certificate of interest or participation in any profit-sharing agreement" as a security. The stock of USA MEATS sold to the Alabama resident by Respondents is a security under the Act.

8. Pursuant to Section 8-6-2 (2), Code of Alabama 1975, the definition of "Agent" includes any individual who represents a dealer or issuer in effecting or attempting to effect sales of securities. By soliciting and effecting sales of stock, verified by the issuance of a stock certificate, SMEDLEY acted as a securities "Agent" as defined in the Act.

9. Pursuant to Section 8-6-3 (a), Code of Alabama 1975, it is unlawful for any person to transact business in the state as a dealer or agent for securities unless he is registered under this article. SMEDLEY acted as an agent of USA MEATS while not being registered with the Commission in violation of the Act.

10. Pursuant to Section 8-6-4 Code of Alabama 1975, it is unlawful for any person to offer or sell any security in this state unless it is registered under this article, or the security is exempt from registration under Section 8-6-10 or the transaction is exempt under Section 8-6-11. The securities offered and sold by the RESPONDENTS to wit: stock of USA MEATS which were not registered with the Commission nor exempt from registration with the Commission and therefore in violation of the Act.

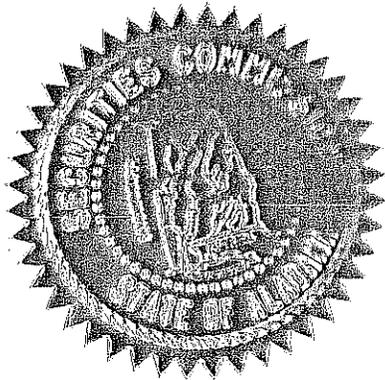
This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Alabama Securities Act.

This Order does not prevent the Commission from seeking such other civil or criminal remedies that are available to it under the Alabama Securities Act.

Additionally, if the allegations set forth herein are found to be true, through administrative adjudication, failure of the RESPONDENTS to make a timely request for hearing, or default of the RESPONDENTS, it is the intention of the Commission to impose sanctions upon the RESPONDENTS. Such sanctions may include, inter alia, an administrative assessment imposed on RESPONDENTS, an additional administrative assessment for investigative costs arising from the investigation of the violation(s) described herein against RESPONDENTS, and a permanent order to bar RESPONDENTS from participation in any securities related industry in the state of ALABAMA.

**ACCORDINGLY, IT IS HEREBY ORDERED** that RESPONDENTS immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the State of Alabama.

Entered at Montgomery, Alabama, this 14th day of December, 2010.



ALABAMA SECURITIES COMMISSION  
401 Adams Avenue, Suite 280  
Montgomery, AL 36104  
(334) 242-2984

BY:

A handwritten signature in black ink, appearing to read "J. P. Borg", is written over a horizontal line. The signature is stylized and somewhat cursive.

JOSEPH P. BORG

Director