

Stubblefield & Yelverton with a mailing address of 3900 Lakeland Drive, Suite 401, Post Office Drawer 320399, Jackson, Mississippi 39232-399. Posgro incorporated on May 27, 1998, and dissolved on December 30, 2003. Posgro was not registered as a broker-dealer or agent with the Division at any time prior to the issuance of this order.

2. Posgro of Heidelberg, LLC, (hereinafter "Posgro H") is a Mississippi limited liability corporation which has no principal office address and no principal mailing address on file with the Secretary of State's Office. The registered agent for Posgro H for service of process purposes is Harry G. Walters whose mailing address is Rural Route 1, Box 895, Heidelberg, Mississippi 39349. Posgro H was not registered as a broker-dealer or agent with the Division at any time prior to the issuance of this order.

3. Posgro of Baton Rouge, LLC, (hereinafter "Posgro BR") is a Mississippi limited liability company which has no principal office address and no principal mailing address on file with the Secretary of State's Office. The registered agent for Posgro BR for service of process purposes is Stubblefield & Yelverton with a mailing address of 3900 Lakeland Drive, Suite 401, Post Office Drawer 320399, Jackson, Mississippi 39232-399. Posgro BR was not registered as a broker-dealer or agent with the Division at any time prior to the issuance of this order.

4. Posgro Capital Management Group, Inc., (hereinafter "Posgro CMG") is a Mississippi corporation. The registered agent for Posgro CMG for service of process purposes was Stubblefield & Yelverton with a mailing address of 3900 Lakeland Drive, Suite 401, Post Office Drawer 320399, Jackson, Mississippi 39232-399. Posgro CMG incorporated on February 19, 2002, and administratively dissolved on December 28,

2004. Posgro CMG was not registered as a broker-dealer or agent with the Division at any time prior to the issuance of this order.

5. Posgro, Posgro H, Pogro BR, and Posgro CMG (hereinafter collectively "The Posgro Entities") have not registered an offering of any security with the Division at any time prior to the issuance of this order.

6. Harry G. Walters (hereinafter "Walters") is a Mississippi resident with a last known address of 41 County Road 33, Heidelberg, Mississippi 39439. Walters is the President of Posgro H and Posgro BR. Walters was the President of Posgro and Posgro CMG before these entities dissolved. Walters was not registered as a broker-dealer or agent with the Division at any time prior to the issuance of this order.

7. James Neely (hereinafter "Neely") is a Mississippi resident with a last known address of Post Office Box 4311, Laurel, Mississippi 39441. Neely was not registered as a broker-dealer or agent with the Division at any time prior to the issuance of this order.

8. Jerry McCreary (hereinafter "McCreary") is a Mississippi resident with a last known address of 10 Robert Adams Road, Laurel, Mississippi 39443. McCreary was not registered as a broker-dealer or agent with the Division at any time prior to the issuance of this order.

9. John Hensley (hereinafter "Hensley") has a last known address of Post Office Box 34, Pettus, Texas 38146. Hensley was not registered as a broker-dealer or agent with the Division at any time prior to the issuance of this order.

10. Terry Henson (hereinafter "Henson") is a Mississippi resident with a last known address of 984 River Road, Ellisville, Mississippi 39437. Henson was not

registered as a broker-dealer or agent with the Division at any time prior to the issuance of this order.

11. Walters, Neely, McCreary, Hensley, and Henson offered and/or sold the unregistered securities of at least one (1) of The Posgro Entities to at least one (1) Mississippi resident.

III. Applicable Statutory Provisions

12. The previous paragraphs are incorporated herein by reference.

13. With respect to the offer and sale of securities, Section 75-71-401 of the Act states:

...it is unlawful for any person to offer or sell a security in the State of Mississippi unless (1) it is registered under this chapter or (2) the security or transaction is exempted under article 3 of this chapter.

14. Section 75-71-105(k) of the Act states:

"Person" means an individual, (or) a corporation...

15. Section 75-71-105(n) of the Act states:

"Security" means any note; stock; treasury stock; bond; debenture; evidence of indebtedness; certificate of interest or participation in any profit-sharing agreement...

16. Section 75-71-119 of the Act states:

(a)...[Section] 75-71-401...appl[ies] to persons who sell or offer to sell when (1) an offer to sell is made in this state...

(c)...an offer to sell or to buy is made in this state whether or not either party is then present in this state when the offer (1) originates from this state or (2) is directed by the offeror to this state...

17. Section 75-71-301 of the Act states:

...it is unlawful for any person to transact business in this state as a broker-dealer or agent unless he is registered under this chapter.

IV. Conclusions of Law

18. The Secretary of State has jurisdiction of this matter and the parties named herein.

19. Respondents offered and sold securities as that term is defined in the Act.

20. Respondents violated Section 75-71-301 of the Act by transacting business as broker-dealers or agents in Mississippi without registering as such.

21. Respondents violated Section 75-71-401 of the Act by offering and/or selling unregistered securities within the state of Mississippi.

V. Administrative Penalty

NOTICE is hereby given that the Secretary of State intends to impose an administrative penalty of up to \$25,000 per violation plus all costs and expenses against the Respondents, pursuant to the authority set out in §75-71-715(2) of the Act.

VI. Public Interest

This Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty is issued in the public interest and for the protection of investors consistent with the purpose of the Act.

VII. Amendments

The Division reserves the right to amend this Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty.

VIII. Order

IT IS THEREFORE ORDERED, pursuant to the authority set out in §75-71-715(1) of the Act, that, Posgro, Inc., Posgro of Heidelberg, LLC, Posgro of Baton Rouge,

LLC, Posgro Capital Management Group, Inc., Harry G. Walters, James Neely, Jerry McCreary, John Hensley, and Terry Henson shall immediately **CEASE AND DESIST** from any further illegal activity in, or originating from, the State of Mississippi in connection with the offer and/or sale of Securities to any person without the Securities being duly registered or exempted from registration under the Act and Respondents being duly registered pursuant to the Act.

BE ADVISED THAT, pursuant to §75-71-735 of the Act, a willful violation of this Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty may be punishable upon conviction by a fine of not more than twenty-five thousand dollars (\$25,000) or five (5) years imprisonment, or both, in addition to civil and administrative remedies available to the Division.

NOTICE is hereby given that the Respondents shall have thirty (30) days from the date of receipt of this Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty to give written notice requesting a hearing on the matters contained herein to James O. Nelson, II, Assistant Secretary of State for the Business Regulation and Enforcement Division, Office of the Secretary of State, Post Office Box 136, 700 North Street, Jackson, Mississippi 39205-0136. In the event such a hearing is requested, the Respondents may appear, with or without the assistance of an attorney, on a date and at a time and place to be specified and cross-examine witnesses, present testimony, evidence, and argument relating to the matters contained herein. Upon request, subpoenas may be issued for the attendance of witnesses and for the production of books and papers on the Respondents' behalf at the hearing relating to the matters contained herein. In the event such written notice is not received within said thirty (30) day period of time, a FINAL

CEASE AND DESIST ORDER AND ORDER IMPOSING ADMINISTRATIVE

PENALTY may be entered in this proceeding with no further notice.

ISSUED, this the 12 day of OCTOBER 2005.

ERIC CLARK
Secretary of State

BY:



JAMES O. NELSON, II
Assistant Secretary of State
Business Regulation and Enforcement

Nathan Thomas, MSB # 100496
Mississippi Secretary of State's Office
Post Office Box 136
700 North Street
Jackson, Mississippi 39205-0136
(601) 359-6366

CERTIFICATE OF SERVICE

I, Nathan Thomas, do here by certify that I have this day mailed via Certified Mail, postage pre-paid, a true and correct copy of the Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty to the following:

Posgro, Inc.
Stubblefield & Yelverton
3900 Lakeland Drive
Suite 401
Post Office Drawer 320399
Jackson, Mississippi 39232-399

Posgro of Heidelberg, LLC
Harry G. Walters
Rural Route 1, Box 895
Heidelberg, Mississippi 39349

Posgro of Baton Rouge, LLC
Stubblefield & Yelverton
3900 Lakeland Drive, Suite 401
Post Office Drawer 320399
Jackson, Mississippi 39232-399.

Posgro Capital Management Group, Inc.
Stubblefield & Yelverton
3900 Lakeland Drive, Suite 401
Post Office Drawer 320399
Jackson, Mississippi 39232-399.

Harry G. Walters
41 County Road 33
Heidelberg, Mississippi 39439

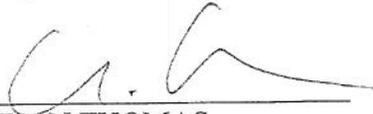
James Neely
Post Office Box 4311
Laurel, Mississippi 39441

Jerry McCreary
10 Robert Adams Road
Laurel, Mississippi 39443

John Hensley
Post Office Box 34
Pettus, Texas 38146

Terry Henson
984 River Road
Ellisville, Mississippi 39437

This the 24th day of October, 2005.



NATHAN THOMAS
Senior Attorney