OFFICE OF THE MISSISSIPPI SECRETARY OF STATE
BUSINESS REGULATION AND ENFORCEMENT DIVISION

In The Matter Of:	)	
	)	
	)	
Posgro, Inc.;	)	
Posgro of Heidelberg;	)	**Administrative Hearing**
Posgro of Baton Rouge;	)	**Number: S-05-0258**
Posgro Capital Management Group, Inc.;	)	
Harry G. Walters;	)	
James Neely;	)	
Jerry McCreary;	)	
John Hensley; and	)	
Terry Henson	)	
	)	
	)	
RESPONDENTS.	)	

CONSENT AGREEMENT

THIS AGREEMENT is hereby entered into between the State of Mississippi, Secretary of State's Office, Business Regulation and Enforcement Division (hereinafter "Division"), by and through James O. Nelson, II, Assistant Secretary of State, and James Neely (hereinafter "Neely"), Respondent herein.

The Division, having the power to administer and to provide for the enforcement of all provisions of the Mississippi Securities Act (hereinafter "Act"), and Respondent do hereby enter into this Consent Agreement in resolution of the Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty issued October 12, 2005, following allegations by the Division of violations of certain provisions of the Act. The parties to this Consent Agreement hereby set forth the following facts:

1. Posgro, Inc., (hereinafter "Posgro") was a Mississippi 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 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 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.

12. At all times relevant hereto, it was and continues to be the intent of Neely to comply with the requirements of the Act, and, to that end, to cooperate with the Secretary of State.

13. It is the intent of the Division and Neely to reach an expeditious and appropriate resolution of this matter as it pertains to Neely's involvement therein.

14. Based upon the representations and information obtained by the Division's independent investigation, the Division has determined not to proceed to a hearing as to Respondent Neely.

NOW, THEREFORE, it is hereby agreed as follows:

A. Neely admits to the jurisdiction of the Division as to all matters herein.

B. Neely does not admit that his conduct was in violation of the Act and at all times relevant believed he was acting within the bounds of the Act. Neely asserts that he neither offered and/or sold any securities in Mississippi, nor did he receive any monies for the offer and/or sale of any securities in Mississippi. Neely agrees to execute an affidavit indicating these facts.

C. Neely agrees to cooperate fully with the Division in any future investigations of Posgro or any related Posgro entities in Mississippi specifically including, but not limited to, the names, telephone numbers, and addresses of any

individuals or entities known to Neely that have been or are involved in the issuance of Posgro securities within the State of Mississippi.

D. This Consent Agreement contains the entire understanding between the parties and supersedes any prior understandings and agreements between them respecting the subject matter of this Consent Agreement. Furthermore, the parties herein represent that they have read each provision, understand each provision, and agree to each provision herein.

E. A willful failure to comply with any of the terms, conditions or obligations of this Agreement will result in Neely being deemed to be in violation of a lawful order made pursuant to the Act and, therefore, subject to the penalties available under the Act.

F. Neely is aware of his right to a hearing on this matter at which he may be represented by counsel, present evidence and cross-examine witnesses. Neely hereby irrevocably waives the right to such a hearing.

G. The entry of this Agreement represents the settlement of regulatory claims by the Division against Neely only and does not, in any way, restrict or affect the rights or causes of action, if any, of any purchaser of any securities related to any Posgro entity, who have sustained a loss as a result of said securities.

H. This Agreement pertains only to those matters set forth in the Summary Cease and Desist Order, referred to above, and to the issuance of Posgro securities in Mississippi, and only to Neely's involvement therein.

I. Neely acknowledges that he has read this Consent Agreement in its entirety and fully understands the rights, terms, and obligations contained therein.

WHEREFORE, the undersigned hereby acknowledge and agree to the terms and conditions of the foregoing Agreement by written consent.

THIS, the 28 day of FEBRUARY, 2006

JAMES NEELY, Respondent

ERIC CLARK, Secretary of State

By:
JAMES O. NELSON, II
Assistant Secretary of State