

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

IN THE MATTER OF:

ADMINISTRATIVE PROCEEDING
NUMBER: 01-046

Williamson Poultry Farms, Inc.
C. R. Williamson
Roy Norwood
Lewis Hopper

RESPONDENTS

FIRST AMENDED SUMMARY SUSPENSION OF REGISTRATION
AND CEASE AND DESIST ORDER

I. JURISDICTION

Comes now, James O. Nelson, II, Assistant Secretary of State, for Business Regulation and Enforcement (the "Division") on behalf of Eric Clark, Secretary of State for the State of Mississippi (the "Secretary"), and states that it appears that Respondents, Williamson Poultry, Inc., C.R. Williamson, Roy Norwood, and Lewis Hopper have issued, offered and sold securities in violation of the Mississippi Securities Act, Miss. Code Ann. §75-71-101, *et seq.* (2000) (hereafter "the Act").

II. FINDINGS OF FACT

1. Respondent Williamson Poultry Farms, Inc. (hereafter "Williamson Poultry") is a business corporation organized under the laws of the state of Mississippi whose domicile address is 271 Gum Springs Road, Braxton, Mississippi.



2. Respondent C. R. Williamson is an adult, natural person whose last known address is 1938 Cedarwood Place, Jackson Mississippi 39213, and who at all times relevant herein directly or indirectly controlled Williamson Poultry, and who was at times relevant herein Chief Executive Officer of Williamson Poultry.
3. Respondent Roy Norwood is an adult, natural person whose last known address is Post Office Box 3907, Jackson MS 39386, and who at all times relevant herein, directly or indirectly controlled Williamson Poultry, and who was at all times relevant herein Interim President of Williamson Poultry.
4. Respondent Lewis Hopper is an adult, natural person whose last known address is 2723 Highway 80, Brandon MS 39042-7350, and who was at all times relevant herein Vice President of Operations of Williamson Poultry.
5. Respondents issued, offered and sold shares of stock in Williamson Poultry to Mississippi residents.
6. The Division of Regulation and Enforcement notified respondents C. R. Williamson and Lewis Hopper that an examination of the Books and Records required to be maintained by the issuer pursuant to the Mississippi Securities Act Rules was scheduled.
7. An attempt by the Division to examine the books and records of Williamson Poultry revealed that such books and records were not maintained by Williamson Poultry, as required by law.
8. An examination of certain books and records of Williamson Poultry conducted by the Division revealed that at least five hundred thousand (\$500,000) shares of

unregistered Williamson Poultry stock was sold by C. R. Williamson in at least eight hundred (800) separate transactions.

9. A check of the records required to be maintained by the Division reveals that C.R. Williamson is not registered to sell securities in the State of Mississippi.
10. An examination of certain books and records of Williamson Poultry conducted by the Division revealed that annual sales reports submitted to the Division by Williamson Poultry for the years 1993 through 2000 understated the amount of securities sold.

III. APPLICABLE LAW

1. With respect to the offer and sale of securities, §75-71-425 of the Act states:

The secretary of state may issue a stop order denying effectiveness to, or suspending or revoking the effectiveness of, any registration statement if he finds (1) that the order is in the public interest and (2) that:

(B) Any provision of this chapter or any rule, order or condition lawfully imposed under this chapter has been willfully violated, in connection with the offering, by (i) the person filing the registration statement, or (ii) the issuer, any partner, officer or director of the issuer, any person occupying a similar status or performing similar functions, or any person directly or indirectly controlled by or acting for the issuer, or (iii) any underwriter;

2. With respect to issuers of securities, Mississippi Securities Act Rule 535 states:

Every issuer selling its own securities shall make and keep current the following books and records:

1. Stockholders' ledgers or other records reflecting alphabetically the names and addresses of all stockholders, stock certificates issued to each, dates paid, and full details as to transfers or cancellations;
2. Copies of all promotional and sales materials used in connection with the sales of the issuer's securities;
3. Copies of all confirmations of sales of securities;
4. Stock Certificate Books.

3. With respect to the registration of securities, §75-71-401 of the Act states that:

...it is unlawful for any person to offer or sell any security in the State of Mississippi unless (1) it is registered under this chapter, (2) the security or transaction is exempted under Article 3 of this chapter, or (3) it is a federal covered security.
4. With respect to issuing securities through agents, §75-71-301 of the Act states:

[I]t is unlawful for any person to transact business in this state as a [n] agent unless he is registered under this chapter....[and] it is unlawful for any...issuer to employ an agent unless the agent is registered.....
5. With respect to submitting Annual Sales Reports, Mississippi Securities Act Rule 225 (A) states that:

Whenever an offering of securities registered pursuant to the Act is not completed within twelve (12) months of the date of initial registration, or the requested expiration date, a sales report and the non-refundable statutory sales report fee of \$50 must be filed stating (1) the amount of securities registered in Mississippi, (2) the amount sold in Mississippi to date and (3) the amount remaining to be sold in Mississippi. So long as the registration statement is effective, a sales report must be filed every twelve (12) months thereafter until the offering is completed. The sales report is due on or before the anniversary date of the certificate of registration.

IV. CONCLUSIONS OF LAW

1. Respondents violated Mississippi Securities Act Rule 535 by failing to make and keep current certain books and records as required by the rule.
2. Respondents violated §75-71-401 of the Mississippi Securities Act by offering and selling shares of unregistered stock in Williamson Poultry.
3. Respondents violated §75-71-301 of the Mississippi Securities Act by selling shares of Williamson Poultry stock through an unregistered agent.
4. Respondents violated Mississippi Securities Act Rule 225 by submitting inaccurate annual sales report figures for the years 1993 through 2000.

V. PUBLIC INTEREST

This Summary Suspension of Registration and Cease and Desist Order is issued in the public interest and for the protection of investors consistent with the purposes of this Act.

VI. AMENDMENTS

The Division reserves the right to amend this Summary Suspension of Registration and Cease and Desist Order.

VII. ORDER

IT IS THEREFORE ORDERED, pursuant to the authority set out in §75-71-715(1) of the Act, that Respondents Williamson Poultry Farms, Inc., C. R. Williamson, Roy Norwood, and Lewis Hopper, shall immediately CEASE AND DESIST FROM ANY FURTHER ACTIVITY IN the State of Mississippi in connection with the offer and/or sale of securities of Williamson Poultry Farms, Inc.

IT IS FURTHER ORDERED, pursuant to the authority set out in §75-71-427 of the Act, that the effectiveness of the registration statement of Williamson Poultry is summarily suspended pending final determination of this matter.

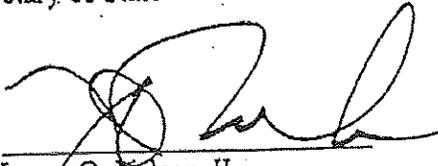
BE ADVISED THAT, pursuant to §75-71-735 of the Act, a willful violation of this Summary Cease and Desist Order may be punishable upon conviction by a fine of not more than twenty-five thousand dollars (\$25,000) or five (5) years imprisonment, or both, in addition to civil and administrative remedies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

NOTICE is hereby given that the Respondents shall have an additional thirty (30) days from the date of receipt of this First Amended Summary Cease and Desist Order to

prepare for a hearing on the matters contained herein. The Respondents may appear at the hearing with or without the assistance of an attorney, on a date and at a time and place to be specified, and cross-examine witnesses and 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 Respondents' do not appear at such hearing, a FINAL CEASE AND DESIST ORDER and ORDER REVOKING REGISTRATION may be entered in this proceeding with no further notice.

Entered, this the 31st day of JANUARY 2002.

ERIC CLARK
Secretary of State

BY: 
James O. Nelson, II
Assistant Secretary of State
Business Regulation and Enforcement

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STATE OF MISSISSIPPI	
I hereby certify that this is a true and complete copy of	
the	<u>6</u> page document on file in this office
DATED	<u>31</u> , 20 <u>02</u>
BY	<u>Eric Clark</u>
This Certification stamp replaces Our Previous Authentication System	

CERTIFICATE OF SERVICE

I, Charlene Newman, do here by certify that I have this day mailed via United States Mail, certified mail, return receipt requested, a true and correct copy of the First Amended Summary Suspension of Registration and Cease and Desist Order to the following:

Certified Receipt # 7001 0320 0005 5103 2153

Sharon Patterson Thibodeaux, Esq.
Attorney at Law
631 Lakeland East Drive
Flowood, Mississippi 39208

This the 1st day of February, 2002.



Charlene Newman
Senior Attorney

Charlene Newman, MSB # 10065
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