

MIKE HUCKABEE
GOVERNOR

MICHAEL B. JOHNSON
COMMISSIONER



HERITAGE WEST BUILDING, SUITE 300
201 EAST MARKHAM STREET
LITTLE ROCK, ARKANSAS 72201-1692
TELEPHONE: (501) 324-9260
FACSIMILE: (501) 324-9268

ARKANSAS SECURITIES DEPARTMENT

April 19, 2005

Hermann Ivester
Mitchell, Williams, Selig,
Gates & /Woodyard, P.L.L.C.
425 West Capitol Avenue, Suite 1800
Little Rock, AR 72201-3525

RE: BancorpSouth Investment Services, Inc. and AHA Services, Inc.
No Action No. 05-0000333-NA004

Dear Mr. Ivester:

We are in receipt of your letter dated April 15, 2005, in which you request that the staff of the Arkansas Securities Department ("Staff") recommend to the Commissioner that no enforcement action be taken against AHA Services, Inc. ("AHASI") if it engages in the activities described in your letter without registration under the Arkansas Securities Act, Ark. Code Ann. § 23-42-101, *et seq.* (the "Act"). I understand the facts, which are more fully set out in your letter, to be as follows:

Your client, BancorpSouth Investment Services, Inc. ("BISI") is a registered investment adviser with the federal Securities and Exchange Commission, a registered broker/dealer, and licensed financial adviser in the State of Arkansas and is a wholly-owned subsidiary of BancorpSouth Bank, a Mississippi bank with branches in Arkansas.

BISI is the administrator, investment adviser and trustee of the Arkansas Hospital Investment Pool ("AHIP"), a pooled investment program. BISI proposes to administer investments for private profit and not-for-profit hospitals which are members of the Arkansas Hospital Association ("Association") and other eligible health care providers, such as physician groups ("Providers"). Such investments will be made into one or more different AHIP Trusts.

AHASI is a wholly-owned for-profit subsidiary of Association whose sole function is to provide services and programs to benefit Association members. AHASI and BISI have entered into a Consulting Agreement ("Agreement") whereby BISI will receive funds from Association members and Providers in trust through the AHIP, with the goals of protecting principal and providing liquidity, while increasing their return as a result of professional management and the flexibility of a larger pool of money to invest.

Mr. Hermann Ivester

April 19, 2005

Page 2

The Agreement specifies AHASI's responsibilities to BISI, which basically are to publicize and endorse the program to the Association's members and consult with BISI on the members' needs and desires relative to the program. The Agreement also clearly states what AHASI must not do under the Agreement, including but not limited to directly advising members or Providers on investment decisions, becoming involved in administration, and handling money or securities, all of which would be disclosed to Association members and Providers in the promotional literature, as set forth specifically in the Agreement.

For its services under the Agreement, AHASI would receive from BISI a monthly tiered fee based upon the balances in the investment pools established through AHASI's sponsorship. The advisory fee which is paid to participate is based on the same formula for all participants, whether or not they are association members. No other fee is charged.

Under the initial Agreement, only Providers and private hospitals will be allowed to participate. The combined total of investors in all AHIP Trusts will be limited to 100. While public hospital entities may possibly be allowed to participate at some time in the future, such participation is not part of the program being addressed here.

The investments will be held by BISI in trust under several different trusts having investment objectives designed to meet the goals of the participants or investors. Investors in a particular AHIP Trust will receive and own a proportional, undivided interest in each security in the particular trust. Each investor will enter into a trust agreement with BISI as Trustee, and will have an opportunity to be represented by counsel and examine any financial or other information concerning the trust.

AHASI and BISI will abide strictly by the requirements of 17 C.F.R. § 275.206(4)-3, including the provision to investors of written disclosures detailing the relationship between BISI and AHASI and the terms of the compensation paid by BISI to AHASI in exchange for the solicitation of Association members and Providers.

You have requested that the Staff provide confirmation to you that it will not recommend enforcement activity to the Commissioner in the event that AHASI engages in the activities described above without registration under the Act as an investment adviser, or as an investment adviser representative or agent of BISI.

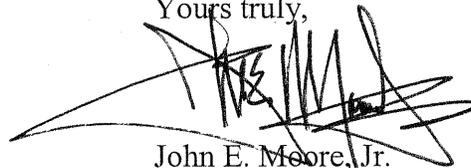
Based upon the representations set forth in your letter, primarily that the AHASI and BISI will abide strictly by the requirements of 17 C.F.R. § 275.206(4)-3, the Staff will not recommend to the Commissioner that enforcement action be taken against the AHASI if it engages in the described activities without registration as an investment adviser, representative, or agent under the Act. Although not addressed in your letter, the Staff's recommendation is also conditioned upon the securities being offered and sold in compliance with Ark. Code Ann. § 23-42-501.

Mr. Hermann Ivester
April 19, 2005
Page 3

Please note that the position expressed herein pertains only to the facts and circumstances described in your letter, and pertains only to the issue of registration by AHASI as an investment adviser, representative, or agent. Different facts might well result in a different response. This letter is not to be construed or relied upon as legal advice, nor does it purport to address the possible application of any other laws that may relate to the actions described in your letter.

Should you have any questions, please contact me.

Yours truly,

A handwritten signature in black ink, appearing to read "J. E. Moore, Jr.", written over a horizontal line.

John E. Moore, Jr.
Chief Counsel