



State of Utah
Department of Commerce
Division of Securities

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Governor

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Executive Director

S. ANTHONY TAGGART
Division Director

January 21, 2005

KATY DAY INHOFE
CONNER & WINTERS, LLP
3700 FIRST PLACE TOWER
15 EAST FIFTH STREET
TULSA, OK 74103-4344

RE: Jameson Inns, Inc. (the "Jameson Inns")
Request for No Action Position
File #B00499720

Dear Ms. Inhofe:

The Utah Division of Securities ("Division") has reviewed your December 31, 2004 letter ("Letter") and the December 30, 2004 Jameson Stock Awards Program Prospectus (the "Prospectus") filed pursuant to your request for a no-action letter from the Division. Your request for a no-action letter from the Division is authorized by Section 61-1-25(5) of the Utah Uniform Securities Act ("Act") and Section R164-25-5 of the Utah Administrative Code ("UAC"). Your Letter and the Prospectus describe a Frequent Guest Loyalty Program ("Guest Program") and a Direct Stock Purchase Program ("Purchase Program"). Under the Guest Program, Jameson Inns guests may enroll and be issued shares of Jameson Inns common stock for hotel stay credits. The Division understands that the offer and sale of Jameson Inns common stock to Utah investors under the Guest Program will be by a Broker-dealer licensed by the State of Utah. The Purchase Program offers those who are already shareholders the opportunity to made direct purchases of Jameson Inns common stock at the same price at which the shares issued with respect to the hotel stay credits are issued. These transactions are more fully described in the Prospectus submitted with your filing.

Your Letter and the Prospectus state that Jameson Inns common stock is listed on the Nasdaq National Market system and is therefore, defined as a "covered security" under Section 18(b)(1) of the Securities Act of 1933, as amended, and is exempt from registration in Utah. Your Letter, further, requests that the Division take no enforcement action if shares of Jameson Inns common stock are issued to existing shareholders pursuant to the

Kary Day Inhofe
Conner & Winters, LLP
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Purchase Program without licensing the Jameson Inns agents, as defined in Section 61-1-13(2) of the Act.

Based upon the information filed with this office, and in reliance upon your opinion as legal counsel to Jameson Inns, the staff of the Division will not recommend any enforcement or administrative action should the transactions proceed as outlined in your request.

This response does not purport to express any legal conclusions regarding the applicability of statutory or regulatory provisions of federal or state securities laws to the questions presented. It merely expresses the opinion of the Division Staff on enforcement or administrative actions.

As this recommendation is based upon the representations made to the Division, any different facts or conditions of a material nature might require a different conclusion. Furthermore, this no-action letter relates only to the transactions described above and will have no value for future similar transactions. Finally, the issuance of a no-action letter does not absolve any party from complying with the anti-fraud provisions contained in Section 61-1-1 of the Act.

Very truly yours,

DAVID PREECE, DIRECTOR
UTAH DIVISION OF SECURITIES

A handwritten signature in black ink, appearing to read "Benjamin Johnson", with a long horizontal flourish extending to the right.

Benjamin N. Johnson
Director of Corporate Finance

BNJ/gb

CONNER & WINTERS

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*Not Admitted in Oklahoma

December 31, 2004

VIA FEDERAL EXPRESS
Director
Utah Division of Securities
160 East 300 South, 2nd Floor
Salt Lake City, Utah 84111

RE: Jameson Inns, Inc. Stock Awards Program

Dear Director:

As counsel to Jameson Inns, Inc., a Georgia corporation which owns and operates hotels throughout the southeast and midwest United States (the "Company"), we are submitting this letter in connection with the proposed issuance by the Company of additional shares of its common stock, par value \$0.10 per share (the "Common Stock"), to existing holders of Common Stock pursuant to a new direct stock purchase plan (the "Plan") to be implemented by the Company.

The Plan will be available only to existing shareholders of Common Stock and provides that such shareholders may purchase additional shares of Common Stock by mail or by going online to the Company website.

The Plan is a part of the Jameson Stock Awards Program which the Company has formed to provide its hotel guests with the opportunity to participate in a loyalty awards program. A copy of the most recent preliminary prospectuses covering both the Plan and the Stock Awards Program are enclosed for your reference.

Participants who already have shares credited to their accounts or who are already shareholders will also have the opportunity to make direct purchases of stock at the same price at which the shares issued with respect to the hotel stay credits are issued. The Company will issue the Common Stock to existing shareholders directly without the engagement of a sales agent.

December 31, 2004

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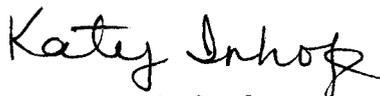
The Plan is covered by the prospectus captioned "Direct Stock Purchase Program" and is the subject of this request for a no action letter from the Division of Securities (the "Division").

The Common Stock is listed on the Nasdaq National Market and is therefore, defined as a "covered security" under Section 18(b)(1) of the Securities Act of 1933, as amended, and is exempt from registration in Utah. The shares of Common Stock to be issued to existing shareholders of the Company will be issued directly by the Company. The Company, as issuer of the Common Stock, is excluded from the definition of "dealer" under Section 61-1-13(3)(b) of the Utah Uniform Securities Act (the "Securities Act"). However, it appears that the officers of the Company, who may effect issuances of the Common Stock on behalf of the Company, may fall within the definition of "agent" as set forth in Section 61-1-13(2) of the Securities Act. Such officers acting on behalf of the Company would be acting only in the normal course of their duties with the Company and would not receive any commissions or other remuneration relating to the issuance of Common Stock under the Plan. Therefore, the Company does not believe that it is necessary for the protection of investors in Utah for the Company's officers to be registered as agents in Utah. On behalf of the Company, we hereby request that the Division take no enforcement action if shares of the Common Stock are issued to existing shareholders pursuant to the Plan without registration of the Company's officers as agents under the Securities Act.

The Company filed Amendment No. 2 to the Registration Statement on December 30, 2004 and plans to implement the Plan shortly thereafter. Therefore, we hereby respectfully request that the Division expedite the review of this request for no action and issue a no action letter January 15, 2005. A check in the amount of \$120 for the required fee is enclosed.

Please acknowledge receipt of this request by stamping the attached copy of this letter and returning in the stamped return envelope provided. If you have any questions or need additional information in connection with this request, please contact the undersigned at (918) 586-8543 or Lynnwood R. Moore, Jr. at (918) 586-5691.

Sincerely,



Katy Day Inhofe of
Conner & Winters

Enclosures

cc: Steven A. Curlee
Lynnwood R. Moore, Jr.