

**BEFORE THE SECURITIES COMMISSIONER
OF THE STATE OF KANSAS**

In the matter of:

RESORT HOLDINGS INTERNATIONAL, INC.,
MICHAEL E. KELLY,
JAMES HERMAN MUNSTER II,
LEROY HARE, JR.,
LOUANN SORENSEN,

Docket No. 06 E 022
KSC No. 2005-5007

and Their Representatives and Agents

Respondent,

A proceeding pursuant to K.S.A. 17-1266a and
Kansas Uniform Securities Act, K.S.A. 17-12a604(a)

CONSENT ORDER

COMES NOW the above-entitled action before the Securities Commissioner of Kansas for further consideration. Upon due deliberation, the Commissioner finds as follows:

1. Respondent Michael E. Kelly and the Office of the Securities Commissioner have entered into a Stipulation for Consent Order in this matter.
2. In the Stipulation, Respondent Michael E. Kelly, waived his rights to a hearing to contest the allegations contained in the Stipulation. Therefore, this Order may be issued without further proceedings.
3. Respondent Michael E. Kelly, neither admits nor denies the allegations contained in the Stipulation.
4. It is in the public interest and consistent with the purposes of the Kansas Securities Act that this Order be issued.

WHEREFORE, the Commissioner adopts the Allegations of Fact and Allegations of Law contained in the Stipulation as true and correct Findings of Fact and Conclusions of Law.

IT IS, THEREFORE, ORDERED by the Commissioner that the Respondent Michael E. Kelly, shall immediately CEASE and DESIST in the State of Kansas from soliciting offers to buy or making offers to sell, or effecting or transacting sales of securities, or the securities of any other person or issuer, or directly or indirectly aiding and assisting in the same or attempting to do the same, (1) unless and until such securities have been registered for offer and sale pursuant to the provisions of the Kansas Uniform Securities Act, or unless and until such securities are specifically exempt from the registration requirements of the Kansas Uniform Securities Act; and (2) unless and until the Respondent and all other affiliates, employees or contractors of the Respondent who are to be engaged in such solicitations, offers, and sales first become registered as broker-dealers or agents pursuant to the provisions of the Kansas Uniform Securities Act, or unless and until such persons are specifically exempt from such registration requirements of the Kansas Uniform Securities Act; and (3) unless and until the Respondent refrains from all acts and practices which constitute violations or are about to constitute violations of the Kansas Uniform Securities Act.

IT IS FURTHER ORDERED by the Commissioner that the Respondent Michael E. Kelly pay RESTITUTION in the amount of \$332,750.73 to the Office of Kansas Securities Commissioner for repayment to Kansas investors.

IT IS FURTHER ORDERED by the Commissioner that the Order of Restitution in this matter is hereby STAYED and shall not be reinstated unless restitution is not made

from the Restitution Fund pursuant to United States of America v. Michael E. Kelly, Case No. 06 CR 964, as contemplated by paragraph #10 of the Stipulation for Consent Order.

IT IS FURTHER ORDERED by the Commissioner that Respondent Michael E. Kelly is hereby BARRED from association with any broker-dealer or investment adviser registered in this state.

IT IS SO ORDERED BY THE COMMISSIONER.

Entered at Topeka, Kansas, this 4th day of June, 2010.

/s/ Steven C. Wassom
Steve Wassom
Interim Securities Commissioner
State of Kansas

NOTICES:

- (1) Pursuant to K.S.A. 17-12a508(a), an intentional violation of an Order issued under the Kansas Securities Act is a felony criminal offense.**
- (2) This decision may constitute final agency action that is subject to judicial review. The agency officer to receive service of a petition for judicial review on behalf of the Office of the Securities Commissioner is Steven C. Wassom, Interim Securities Commissioner, at 618 South Kansas Avenue, Topeka, Kansas 66603.**