

**STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT**

IN THE MATTER OF:) File Number: 0300052
Ruttenberg & Associates,)
Camelot Group, Inc.,)
Yucatan Resorts, Inc.,)
Yucatan Resorts, S.A.,)
Resort Holding International, Inc.,)
Resort Holdings International, S.A.,)
World Phantasy Tours, Inc. a/k/a)
Majesty Travel and Viajes Majesty,)
Galaxy Properties Management S.A.,)
Avalon Resorts, and)
Michael E. Kelly.)

ORDER OF PROHIBITION

TO RESPONDENTS: Ruttenberg & Associates
 210 Landmark Drive, Ste B
 Normal, IL 61761

 Camelot Group, Inc.
 3601 G.E. Rd., Ste 4
 Bloomington, IL 61704

 Yucatan Resorts, Inc.
 3222 Mishawaka Avenue
 South Bend, IN, 46615

 Yucatan Resorts, Inc.
 P.O. Box 2661
 South Bend, IN, 46680

 Yucatan Resorts, S.A.
 3222 Mishawaka Avenue
 South Bend, IN, 46615

Order of Prohibition

2

Resort Holdings International, Inc.
3222 Mishawaka Avenue
South Bend, IN, 46615

Resort Holdings International, S.A.
P.O. Box 2661
South Bend, IN, 46680

World Phantasy Tours, Inc.
a/k/a Majesty Travel and Viajes Majesty
Calle Eusebio A. Morales
Edificio Atlantida
P Baja, APDO 8301
Zona 7 Panama

Galaxy Properties Management S.A.
Calle Eusebio A. Morales
Edificio Atlantida
P Baja, APDO 8301
Zona 7 Panama

Avalon Resorts
Av. Coba #82 Lote 10
3er Piso
Cancun, Q. Roo
Mexico C.P. 77500

Michael E. Kelly
Inmate Register # 31814-018
MCC Chicago
Metropolitan Correctional Center
71 West Van Buren Street
Chicago, IL 60605

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on January 16, 2007 which prohibited the Respondents and assigns (the "Respondents") from offering or selling securities in or from the State of Illinois until further order from the Secretary of State or his duly authorized representative;

WHEREAS, pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of the Temporary Order shall constitute an admission of any facts alleged therein and constitute a sufficient basis to make the Temporary Order final;

WHEREAS, the Respondents have failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of said

Order of Prohibition

3

Temporary Order and the Respondents are hereby deemed to have admitted the facts alleged in the said Temporary Order;

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the said Temporary Order as the Secretary of State's Findings of Fact as follows:

1. Respondent Ruttenberg & Associates ("Ruttenberg"), an unregistered financial business, has a current address of 210 Landmark Drive, Ste B, Normal, IL 61701.
2. Respondent Camelot Group, Inc. ("Camelot"), an unregistered financial business, has a current address of 3601 G.E. Rd., Ste 4, Bloomington, IL 61704.
3. Respondent Yucatan Resorts, Inc. ("Yucatan"), is an internationally based corporation orchestrating a purported timeshare program out of Cancun, Mexico and other Central American locales. Yucatan designed, promoted, and operated the "Universal Lease" timeshare program involving investments in hotel units in Cancun, Mexico and other Central American locales from approximately March 2000 to December 2002. The company's last known United States business address is 3222 Mishawaka Avenue, South Bend, IN, 46615, and Yucatan's last known mailing address is P.O. Box 2661, South Bend, IN 46680.
4. Respondent Yucatan Resorts, S.A. ("Yucatan-SA"), is a counterpart to Yucatan. Yucatan-SA was a foreign corporation that was registered in Panama City, Panama on or about June 30, 1998. Serving as the Central American affiliate to Yucatan, Yucatan-SA assisted in the marketing of the same Universal Lease timeshare program from approximately March 2000 to December 2002. Yucatan-SA was formally dissolved in Panama City, Panama on or about December 23, 2003. The company's last known United States business address is 3222 Mishawaka Avenue, South Bend, IN, 46615.
5. Respondent Resort Holdings International, Inc. ("RHI"), is a Nevada corporation that incorporated on or about July 16, 1999. RHI is affiliated with Yucatan and Yucatan-SA as the primary distributor for the aforementioned Yucatan timeshare program throughout North America. In this capacity, RHI provided promotional services and is responsible for the recruitment of "timeshare" sales agents. RHI was formally dissolved in Nevada on or about December 20, 2004. RHI's last known United States business address is 3222 Mishawaka Avenue, South Bend, IN, 46615.

Order of Prohibition

4

6. Respondent Resort Holdings International, S.A. ("RHI-SA"), is the counterpart to RHI and is headquartered in Mexico and Panama. RHI-SA was registered in Panama City, Panama on or about April 16, 2002. RHI-SA coordinates with RHI to provide promotional assistance and to perform various administrative functions in connection with the aforementioned Yucatan timeshare program. In the summer of 2002, RHI and RHI-SA began replacing Yucatan and Yucatan-SA as the primary entities responsible for marketing and managing the Universal Lease timeshare program. RHI-SA's last known United States business address is 3222 Mishawaka Avenue, South Bend, IN, 46615, and RHI-SA's last known mailing address is P.O. Box 2661, South Bend, IN, 46680.
7. Respondent World Phantasy Tours, Inc., a/k/a Majesty Travel and Viajes Majesty, ("World Phantasy"), is a purported resort management and travel agency operating as the designated servicing agent for the aforementioned Yucatan timeshare program. World Phantasy's last known address is Calle Eusebio A. Morales, Edificio Atlantida, P Baja, APDO, 8301 Zona 7 Panama.
8. Respondent Galaxy Properties Management S.A., ("Galaxy") took over the "servicing functions" of the Universal Lease Program from World Phantasy after the summer of 2004. Until recently, an individual by the name of Gabriel Escalante had been signing correspondence to Universal Lease investors on behalf of Galaxy. Gabriel Escalante previously served as the president and director of World Phantasy. Galaxy has a last known address of Calle Eusebio A. Morales, Edificio Atlantida, P Baja, APDO 8301, Zona 7 Panama.
9. Respondent Avalon Resorts ("Avalon") is a resort development company associated with Yucatan, Yucatan-SA, RHI and RHI-SA. Avalon is the exclusive developer of resort properties throughout Mexico and Central America for inclusion into the aforementioned Yucatan timeshare program. The company's last known business address is Av. Coba #82 Lote 10, 3er. Piso Cancun, Q. Roo Mexico C.P. 77500. This is the same Mexican business address as that of Yucatan, Yucatan-SA, RHI, and RHI-SA.
10. Respondent Michael E. Kelly ("Kelly") was the founder, president, and owner of Yucatan, and also was a director, officer, and owner of Yucatan-SA. Kelly is the owner, president and director of RHI, and the founder and chairman of Avalon. In these varying capacities, Kelly directly oversees and/or controls the aforementioned Yucatan timeshare program, its sales operations, and the expenditure of investor funds. Kelly's last known United States addresses are 29294 Quinn

Order of Prohibition

5

Road, North Liberty, IN, 46554, and 3222 Mishawaka Avenue, South Bend, IN, 46615 (company headquarters).

11. Respondents identified in paragraphs 1-11 may be collectively referred to as "Respondents."

FAILURE TO REGISTER SECURITIES

12. Since at least 1999, Respondents have directly and indirectly sold and offered to sell units of RHI's Universal Lease program to the general public, including residents of the state of Illinois.
13. The Universal Lease program referred to herein is an investment that purportedly offers investors the opportunity to purchase timeshare units in Mexico and other locations.
14. Investors are required to invest a minimum of \$5,000.00 to participate in the program, but may invest any amount in excess of this sum.
15. As part of Respondents' sales strategy, prospective investors are given the opportunity to roll part or all of their IRA portfolios into the Universal Lease program.
16. Under Respondents' Universal Lease Program, investors are purportedly afforded the opportunity to select one of three separate Universal Lease options.
17. Universal Lease option 3 promises to provide an investor a 9 percent return on his or her timeshare investment every year for a period of 25 years.
18. For an investor to reap the 9 percent per annum return under this Universal Lease option, the investor was required, as part of his or her investment, to hire a third party management company to lease the time share unit. In every case, World Phantasy was selected as the servicing agent, and such a selection was the only means under which investors could earn the promised 9 percent return on their Universal Lease investments.
19. The activities described above constitute the offer and sale of a security as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5/1 et. seq.] (the "Act").
20. Section 5 of the Act provides, *inter alia*, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 "shall be registered either by coordination or by qualification prior . . . to their offer or sale" in the State of Illinois.

Order of Prohibition

6

21. Respondents failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and, as a result, the security was not registered pursuant to Section 5 of the Act prior to its offer in the State of Illinois.
22. Section 12.A of the Act provides, *inter alia*, that it shall be a violation for any person "to offer or sell any security except in accordance with the provisions of the Act."
23. Section 12.D of the Act provides, *inter alia*, that it shall be a violation for any person "to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act."
24. By virtue of the foregoing, Respondents violated Sections 12.A and 12.D of the Act.

FRAUD IN SALE OF SECURITIES

25. Paragraphs 1 through 20 are realleged and incorporated by reference as though fully set forth herein.
26. Since at least 1999, Respondents have directly and indirectly sold and offered to sell units of RHI's Universal Lease program to the general public, including residents of the state of Illinois.
27. To this date, Respondents have not accounted for the proceeds received from sales of the Universal Lease program.
28. On May 18, 1999 Yucatan Investment Corp. ("Yucatan Investments") was the subject of an administrative order by the New Mexico Securities Division for the sale of unregistered, non-exempt securities in the form of nine month promissory notes through unlicensed sales agents. Yucatan Investments' operation was the immediate predecessor to the current Universal Lease program. Yucatan Investments was based out of the same business address as Yucatan, Yucatan-SA, RHI, and RHI-SA. Kelly was the sole incorporator, statutory agent, president, and secretary of Yucatan Investments.
29. On July 26, 1999 Yucatan Investments was the subject of an administrative order by the South Carolina Securities Division for the sale of unregistered, nonexempt securities in the form of nine month promissory notes through unregistered sales agents.
30. On October 4, 1999 Yucatan Investments was the subject of a Cease and Desist Order by the Minnesota Department of Commerce for the sale of

Order of Prohibition

7

unregistered, nonexempt securities. Kelly, endorsing as the company's president, consented to this Order on September 15, 1999.

31. On November 7, 2000 Yucatan Investments was the subject of an administrative order by the Connecticut Department of Banking for the sale of unregistered, nonexempt securities in the form of promissory notes through unlicensed sales agents.
32. On March 28, 2001, Yucatan-SA and Kelly were the subject of an administrative order by the Wisconsin Securities Division for the sale of unregistered securities by an unlicensed sales agent and for securities fraud in violation Wisconsin law.
33. On October 28, 2002, Yucatan-SA was the subject of an administrative Cease and Desist Order from the Pennsylvania Securities Commission arising out of multiple registration and fraud violations as proscribed under the Pennsylvania Securities Act.
34. Subsequent to these administrative orders issued by several different states, each Respondent sold one or more units of RHI's Universal Lease program to at least one Illinois investor without informing the investor of the prior sanctions referenced in paragraphs 28 through 33 above.
35. Section 12.F of the Act provides that it shall be a violation of the Act for any person "to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof."
36. Section 12.G of the Act provides that it shall be a violation of the Act for any person "to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading."
37. By virtue of the foregoing, Respondents violated 12.F and 12.G of the Act and will violate them again if they make further offers, or if they make any sales, of the investment opportunity describe above in the State of Illinois.

The aforementioned findings are based upon credible evidence.

Order of Prohibition

8

NOW THEREFORE IT IS HEREBY ORDERED: That pursuant to Section 11.F of the Act, the Respondents are hereby permanently PROHIBITED from offering or selling securities in or from the State of Illinois.

Dated: This 21st day of February 2007.



JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

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