DENISE VOIGT CRAWFORD SECURITIES COMMISSIONER

DON A. RASCHKE
DEPUTY SECURITIES COMMISSIONER

Mail: P.O. BOX 13167 AUSTIN, TEXAS 78711-3167

Phone: (512) 305-8300 Facsimile: (512) 305-8310



# Texas State Securities Board

208 E. 10th Street, 5th Floor Austin, Texas 78701-2407 www.ssb.state.tx.us JACK D. LADD CHAIRMAN

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IN THE MATTER OF

DOUGLAS LEON ELLIS

0000

ORDER NO. ENF-06-CD0-1610

TO: Douglas Leon Ellis 3807 Blue Forest Dr Arlington, TX 76001

### AGREED CEASE AND DESIST ORDER

Be it remembered that Douglas Leon Ellis ("Respondent"), appeared before the Securities Commissioner of Texas ("Securities Commissioner") and consented to the entry of this Order and the Findings of Fact and conclusions of Law contained herein.

## FINDINGS OF FACT

- 1. Respondent has waived (a) Respondent's right to notice and hearing in this matter; (b) Respondent's right to appear and present evidence in this matter; (c) Respondent's right to appeal this Order; and (d) all other procedural rights granted to Respondent by the Securities Act, TEX. REV CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2004-2005) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T. CODE ANN. §2001.001et seq. (Vernon 2000 & Supp.2004-2005) ("Administrative Procedure Act").
- 2. Respondent maintains a last known address at 3807 Blue Forest Dr., Arlington, Texas 76001.
- 3. Respondent offered for sale and sold In Texas, "Universal Leases" issued by Yucatan Resorts, SA, Resort Holdings International, SA, and Resort Holdings International, Inc. wherein investors' funds were used to purchase interests in resort properties purportedly located in Mexico coupled with management agreements guaranteeing investors a 9% to 12% return on investment.

- 4. The above described "Universal Leases" were not registered by qualification, notification, or coordination with the Securities Commissioner and no permit has been granted for their sale in Texas.
- 5. Respondent has not been registered with the Securities Commissioner as a dealer or agent at any time material hereto.

# **CONCLUSIONS OF LAW**

- The above described "Universal Leases" are "securities" as that term is defined by section 4.A of the Texas Securities Act.
- 2. Respondent violated Section 7 of the Texas Securities Act by offering securities for sale in Texas at a time when the securities were not registered with the Securities Commissioner.
- 3. Respondent violated Section 12 of the Texas Securities Act by offering for sale securities in Texas without being registered with the Securities Commissioner.
- 4. The foregoing violations constitute bases for issuance of an Agreed Cease and Desist order pursuant to Section 23 of the Texas Securities Act.

### ORDER

- 1. It is therefore ORDERED the Respondent immediately CEASE and DESIST from offering for sale any security in Texas until the security is registered with the Securities Commissioner or is offered for sale pursuant to an exemption from registration under the Texas Securities Act.
- 2. It is further ORDERED the Respondent immediately CEASE and DESIST from acting as a securities dealer or agent in Texas until Respondent is registered with the Securities Commissioner or is acting pursuant to an exemption from registration under the Texas Securities Act.

SIGNED AND ENTERED by the Securities Commissioner this 27 day of FEBEUARY, 2006.

DENISE VOIGT CRAWFORD Securities Commissioner

Respondent:

Douglas Deon Ellis

Angela Cole, Enforcement Attorney Enforcement Division

John Morgan, Director Enforcement Division

Gary J. Derer

Attorney for Respondent

## **ACKNOWLEDGEMENT**

On the day of day of decree we, 2006, Douglas Leon Ellis (Respondent) personally appeared before me, executed the foregoing Order, and acknowledged that:

- 1. Respondent has read the foregoing Order;
- 2. Respondent has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
- 3. Respondent knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and conclusions of Law contained herein; and,

**4.** Respondent, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.

Notary Public, State of Texas My Commission Expires May 17, 2006

Notary Public in and for the State of Texas