

STATE OF ALABAMA  
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF: )  
 )  
YUCATAN INVESTMENT CORP ) ADMINISTRATIVE ORDER  
 ) NO. CD-2006-0025  
 aka )  
YUCATAN RESORT SA )  
 )  
 )  
 )  
 )  
 )  
RESPONDENT )

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having the power to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities, into, within or from the state of Alabama, has determined as follows:

RESPONDENT

1. YUCATAN INVESTMENT CORPORATION, aka YUCATAN RESORT SA., (YUCATAN), is allegedly a Indiana Corporation, with a business address of 3222 Mishawaka Avenue South Bend IN 46615.

STATEMENT OF FACTS

2. The Commission is in receipt of information that indicates during 2000, 2003, and 2004, Yucatan sold securities, to wit: investment contracts entitled Universal Lease Programs, to Alabama investors. Investment funds were made payable to Yucatan Investments or Yucatan Resort SA. Yucatan Resort is an unincorporated entity based out of South Bend, Indiana. Yucatan sold the Universal Leases nationwide to investors involving investments in Condominium units located in Cancun, Mexico and other Central American locations from approximately March 2000 to December 2004. Yucatan Resort was a foreign corporation that was registered in Panama City, Panama on or about June 30, 1998.

3. RESPONDENT failed to disclose that Yucatan was the subject of an Administrative Order by the New Mexico Securities Division on May 18, 1999, for the sale of unregistered, non-exempt securities in the form of 9 month promissory notes.

4. RESPONDENT failed to disclose that Yucatan was the subject of an Administrative Order by South Carolina Securities Division on July 26, 1999, for the sale of unregistered, nonexempt securities.

5. RESPONDENT failed to disclose that Yucatan was the subject of a Cease and Desist Order by the Minnesota Department of Commerce on October 4, 1999, for the sale of unregistered, nonexempt securities.

6. RESPONDENT failed to disclose that Yucatan was the subject of an Administrative Order by the Connecticut Department of Banking, on November 7, 2000, for the sale of unregistered, nonexempt securities in the form of promissory notes through unlicensed sales agents.

7. RESPONDENT failed to disclose that Yucatan was the subject of an Administrative Order by the Wisconsin Securities Division on March 28, 2001, for the sale of unregistered securities by an unlicensed sales agent and for securities fraud.

8. RESPONDENT failed to disclose that on October 28, 2002, Yucatan was the subject of an Administrative Cease and Desist Order from the Pennsylvania Securities Commission arising out of multiple registration and fraud violations.

9. Investors were promised that their investment funds would be used to purchase timeshare "units" that would result in a 9 to 11 percent return. Checks were made payable to Yucatan Investments or Yucatan Resort SA.

10. Further investigation indicates that an Alabama resident purchased the investment contracts through Yucatan on August 20, 2000, in the amount of

\$50,000.00; April 23, 2002, in the amount of \$75,000.00; and January 21, 2004, in the amount of \$20,000.00, totaling \$145,000.00.

11. On March 24, 2006, a review of the files of the Alabama Securities Commission's Registration Division, disclosed no record of the registration of Yucatan Investment Corporation or Yucatan Resort SA. as a securities Dealer or Agent in the state of Alabama.

12. On March 24, 2006, a review of the files of the Alabama Securities Commission's Registration Division revealed no record of registration, nor exemption from registration of the securities referenced in item two (2) of this Order.

#### CONCLUSIONS OF LAW

13 The sale of unregistered securities to wit: investments contracts involving the sale of the Condo's Hotel units of Yucatan Investment Corporation, is a violation of Section 8-6-4, Code of Alabama 1975.

14. The sale of securities by an unregistered Dealer or Agent in the state of Alabama as indicated in item 10 of this Order is a violation of Section 8-6-3(a), Code of Alabama 1975.

This Order does not prevent the Alabama Securities Commission from seeking such other civil or criminal remedies that are available to it under the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

**ACCORDINGLY, IT IS HEREBY ORDERED** that RESPONDENT immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 12<sup>th</sup> day of June, 2006.



ALABAMA SECURITIES COMMISSION  
770 Washington Avenue, Suite 570  
Montgomery, AL 36130-4700  
(334) 242-2984  
BY:

A handwritten signature in black ink, appearing to read "Joseph P. Borg", is written over a horizontal line. The signature is stylized and somewhat illegible.

JOSEPH P. BORG  
Director