STATE OF NORTH CAROLINA

Department of The Secretary of State

In The Matter Of: **THE NORTH CAROLINA SECURITIES DIVISION,** Petitioner, **vs.** **LARRY WAYNE SEXTON,** CRD #2610962, Respondent.	**TEMPORARY ORDER TO CEASE AND DESIST** **FILE NO. 02-001-CC**

Pursuant to the authority granted by Chapter 78A of the North Carolina General Statutes (the North Carolina Securities Act), hereinafter referred to as the "Securities Act," and the rules promulgated thereunder, the Securities Division of the Department of the Secretary of State, hereinafter referred to as the "Division," has investigated the activities of **LARRY WAYNE SEXTON**, (hereinafter "Sexton" or "Respondent") to determine if he has engaged in, or is about to engage in, any act or practice constituting a violation of the Securities Act or any rule or order thereunder.

THE DIVISION has filed an Administrative Petition against the above-named Respondent seeking, among other remedies, a temporary and summary Cease and Desist Order pursuant to the provisions of N.C.G.S. §78A-47(b)(2).

THE SECRETARY OF STATE, acting by and through her duly authorized Deputy Securities Administrator, from the investigation and the information derived therefrom, and for the protection and preservation of the public welfare and in the public interest, makes the following:

FINDINGS OF FACT

1. Respondent Sexton is a natural person who resides at 1127 Fall Creek Lane, Apt. 7, Charlotte, North Carolina, 28209 and upon information and belief is an agent of Resort Holdings International, Inc. and Yucatan Resorts, S.A.; World Phantasy Tours, Inc. dba Viajes Majesty; Yucatan Resorts; and Avalon Resorts (hereinafter, collectively known as "Yucatan").

2. Resort Holdings International, Inc. and Yucatan Resorts, S.A. are marketers and sellers of an investment program called "Yucatan Universal Lease" and/or "Yucatan Resorts Universal Lease Program," whereby investors purchase a lease for a vacation unit (timeshare at a location held out as Avalon Resorts or Yucatan Resorts) located in Cancun, Mexico and simultaneously hire a "third-party" manager (World Phantasy Tours, Inc. dba Viajes Majesty) to manage and rent out or lease the vacation unit for the investor. The investor is promised a fixed rate of return ranging from 9% to 11%.

3. Upon information and belief, beginning in 2001 and continuing through January 2004, in the state of North Carolina, Respondent offered and sold numerous Universal Lease Agreements to North Carolina residents by stating that the lease would be bought back by the seller and the investors would receive their full principal back in 3 years.

4. The offer and sale of the Yucatan Universal Lease, as described herein, constitutes the "offer" and "sale" of a "security," as those terms are defined pursuant to N.C.G.S. §§ 78A-2(8) and 78A-2(11).

5. By offering and selling the investment contract securities, as described herein, to the public in North Carolina, Respondent was transacting business and acting as a "dealer" or "salesman" within the meaning of N.C.G.S. §§ 78A-2(2) and 78A-2(9).

6. The Yucatan Universal Lease investment contract securities, as offered and sold to members of the public of North Carolina by Respondent, were not registered with the Securities Division of the Department of the Secretary of State under the provisions of the North Carolina Securities Act prior to being offered and sold in North Carolina, as required by N.C.G.S §78A-24.

7. At all times relevant to this proceeding, Respondent was not registered as a dealer or salesman of securities, as required by N.C.G.S §78A-36.

8. In connection with the offer and sale of the aforesaid security to persons in North Carolina, the Respondent omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, in violation of N.C.G.S. §78A-8(2), in that the Respondent omitted to state to offerees that:

a) the security being offered was not registered pursuant to the provisions of the North Carolina Securities Act, in violation of N.C.G.S. §78A-24; and

b) Respondent was not registered as a dealer or salesman of securities pursuant to the provisions of the North Carolina Securities Act, in violation of N.C.G.S. §78A-36(a).

9. It is in the public interest of the citizens of North Carolina and for the protection of investors that Respondent be prohibited from violating the provisions of the North Carolina Securities Act in connection with selling or making offers to sell securities, buying or soliciting offers to buy securities, and transacting business as a dealer and/or salesman.

10. Respondent presently continues to have the ability to offer and sell securities to persons in North Carolina in violation of the provisions of N.C.G.S. §§78A-8, 78A-24 and 78A-36.

CONCLUSIONS OF LAW

1. The Secretary has statutory authority pursuant to N.C.G.S. §78A-47(b)(2) to enter and issue a Temporary Order to Cease and Desist against the Respondent.

2. There is reasonable cause to believe the Respondent has engaged in willful violations of the North Carolina Securities Act, specifically N.C.G.S. §§78A-8, 78A-24 and 78A-36(a).

3. There is reasonable cause to believe the Respondent will continue to commit acts and omissions in violation of the North Carolina Securities Act.

4. It is necessary and appropriate for the protection and preservation of the public interest that the Respondent be summarily ordered to cease and desist from making offers and sales of securities in violation of the North Carolina Securities Act.

5. The public interest would be irreparably harmed by the delay inherent in issuing an order under the provisions of N.C.G.S. §78A-47(b)(1).

NOW, THEREFORE, IT IS ORDERED, pursuant to the authority contained in N.C.G.S. §78A-47(b)(2), that Respondent Larry Wayne Sexton, shall immediately cease and desist from:

a. offering for sale, soliciting offers to purchase, or selling, in or from North Carolina, securities in the form of investment contracts to purchase vacation units with a management agreement and any security of any issuer, howsoever denominated, unless and until such securities have been registered pursuant to the provisions of the Securities Act; and

b. offering for sale, soliciting offers to purchase, or selling, in or from North Carolina, securities, in the form of investment contracts to purchase vacation units with a management agreement, or any other security of any issuer, howsoever denominated, unless and until Respondent becomes registered as a dealer or salesman of securities pursuant to the provisions of the Securities Act; and

c. in connection with the offer, sale or purchase of any security, omitting to state material facts necessary in order to make statements made, in light of the circumstances under which such statements were made, not misleading.

NOTICE IS HEREBY GIVEN that the Respondent may request a hearing upon this matter by transmitting such request, in writing and within thirty (30) business days of receipt of this document, to David S. Massey, Deputy Securities Administrator, Securities Division, Department of the Secretary of State, Post Office Box 29622, Raleigh, North Carolina 27626-0622. A copy of any such request shall be served by first-class mail upon Allan C. J. Russ, Enforcement Attorney, Securities Division, Department of the Secretary of State, Post Office Box 29622, Raleigh, North Carolina 27626-0622. If such a request is made, this matter shall be scheduled for a hearing in accordance with Chapter 150B of the North Carolina General Statutes within twenty (20) days after receipt by the Deputy Securities Administrator of the written request. If no request for a hearing, other responsive pleading, or submission is received by the Deputy Securities Administrator within thirty (30) business days of the receipt of service hereof, this Temporary Order To Cease And Desist shall become final and remain in effect unless it is modified or vacated by the Secretary of State in her capacity as Administrator of the North Carolina Securities Act.

WITNESS MY HAND AND THE OFFICIAL SEAL of the North Carolina Department of the Secretary of State, this the 21st day of November, 2006.

Time of entry: 4:37 P.M.

ELAINE F. MARSHALL
SECRETARY OF STATE OF NORTH CAROLINA and
SECURITIES ADMINISTRATOR

By: _____
DAVID S. MASSEY
DEPUTY SECURITIES ADMINISTRATOR