

The Mississippi Secretary of State's Office
Securities and Charities Division

In the matter of)
)
) Administrative
) Proceeding
MORGAN ASSET MANAGEMENT, INC., a)
wholly owned subsidiary of MK HOLDING, INC.,)
a wholly owned subsidiary of REGIONS)
FINANCIAL CORPORATION; MORGAN)
KEEGAN & COMPANY, Inc., a wholly owned) File No. S-08-0050
subsidiary of REGIONS FINANCIAL)
CORPORATION; JAMES C. KELSOE, JR.;)
BRIAN B. SULLIVAN; GARY S. STRINGER;)
and MICHELE F. WOOD,)
)
)
) Respondents)

ORDER TO DISMISS JOINT NOTICE OF INTENT TO REVOKE REGISTRATION
AND IMPOSE ADMINISTRATIVE PENALTY AS TO RESPONDENTS
STRINGER, SULLIVAN AND WOOD

The Securities Division of the Mississippi Secretary of State ("Division") having the authority to administer and provide for the enforcement of all provisions the Mississippi Securities Act has determined as follows:

RESPONDENTS

1. Gary S. Stringer ("Stringer") (CRD No. 2917717) is an employee of Morgan Keegan & Company, Inc. ("Morgan Keegan"). In 2006 and 2007, Stringer held the title of Director of Investments of Wealth Management Services ("WMS"), a division of Morgan Keegan.

2. Brian B. Sullivan ("Sullivan") (CRD No. 2741207) is an employee of Morgan Asset Management ("MAM"). From November 2006 through December 31, 2007, Sullivan held the title of President of MAM.

3. Michele F. Wood (“Wood”) (CRD No. 4534832) is an employee of Morgan Keegan & Company, Inc. (“Morgan Keegan”). From April 2006 through December 31, 2007, Wood served as Chief Compliance Officer (“CCO”) of Morgan Asset Management, Inc. (“MAM”).

STATEMENT OF FACTS

4. The Division filed a Joint Notice of Intent to Revoke Registration and Impose Administrative Penalty (“Joint Notice”) against Morgan Asset Management (“MAM”), Morgan Keegan, James C. Kelsoe, Jr., Brian B. Sullivan, Gary S. Stringer and Michele F. Wood on April 5, 2010.

5. On June 21, 2011, the Division, along with the states of Alabama, South Carolina, Kentucky and Tennessee (the “State Regulators”) and the U.S. Securities & Exchange Commission entered into settlement with Respondents MAM and Morgan Keegan. The Financial Industry Regulatory Authority (“FINRA”) entered into settlement with Respondent Morgan Keegan.¹ The Division, State Regulators and the SEC also entered into settlement with James C. Kelsoe, Jr., MAM and Morgan Keegan agreed to pay \$100 million to a SEC “fair fund” and \$100 million to a “state fund”, for a total of \$200 million for the benefit of investors in the Funds. Mr. Kelsoe, the Funds' portfolio manager, also agreed to a permanent termination of his securities registrations and payment of a penalty of \$500,000.²

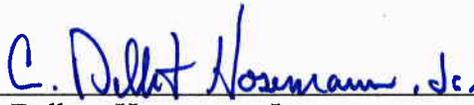
¹ Alabama Administrative Order No.: SC-2010-00 16; Kentucky Administrative Order No.: 2010-AH-012; Mississippi Administrative Order No.: S-08-0050; South Carolina Administrative Order No.: 08011; Tennessee Administrative Order No.: 11-005; FINRA A WC No.: 2007011164502; and SEC Administrative Proceeding File No.: S-13847.

² A copy of the referenced consent orders are available at:
Alabama, <http://asc.alabama.gov/Orders/2010/CO-2010-0016.pdf>;
Kentucky, <http://www.kfi.ky.gov/public/morgankeegan.htm>;
Mississippi, <http://www.sos.ms.gov>;
South Carolina, <http://www.scag.gov/scsecurities/notices-and-orders>

6. The Joint Notice relates to six mutual funds previously managed by MAM.³

The Joint Notice of the Division is hereby dismissed with no further action remaining against the individual Respondents Stringer, Sullivan and Wood.

SO ORDERED this the 9th day of December, 2011



C. Delbert Hosemann, Jr.
Mississippi Secretary of State

Tennessee, <http://tn.gov/commerce/securities/consentOrders.shtml/>.

³ The funds at issue are: Morgan Keegan Select High Income Fund (“Select High Income Fund”), Morgan Keegan Select Intermediate Bond Fund (“Select Intermediate Bond Fund”), RMK High Income Fund, RMK Strategic Income Fund, RMK Advantage Income Fund, and RMK Multi-Sector High Income Fund.