

The Alabama Securities Commission
The Kentucky Department of Financial Institutions
The South Carolina Office of the Attorney General

In the matter of:	)	
	)	Joint Administrative
MORGAN ASSET MANAGEMENT, INC., a wholly	)	Proceeding
owned subsidiary of MK HOLDINGS, INC., a wholly	)	File Nos.:
owned subsidiary REGIONS FINANCIAL	)	Alabama: OV-2010-0016
CORPORATION; MORGAN KEEGAN & COMPANY,)	)	Kentucky: 2010-AH-021
INC., a wholly owned subsidiary of REGIONS	)	South Carolina: 08011
FINANCIAL CORPORATION; JAMES C. KELSOE, JR.;)	)	
BRIAN. SULLIVAN; GARY S. STRINGER; and	)	
MICHELE F. WOOD,	)	
	)	
Respondents.	)	

ORDER TO VACATE AND/OR DISMISSAL OF
JOINT NOTICE OF INTENT TO REVOKE REGISTRATION
AND IMPOSE ADMINISTRATIVE PENALTY AS TO RESPONDENTS
STRINGER, SULLIVAN AND WOOD

The state securities regulatory authorities of Alabama, Kentucky and South Carolina ("State Regulators") having the authority to administer and provide for the enforcement of all provisions of their respective Securities Acts have 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 State Regulators 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 State Regulators, along with the states of Mississippi and Tennessee 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 State Regulators (including the states of Mississippi and Tennessee) 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

¹ Alabama Administrative Order No.: SC-2010-0016; 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 AWC No.: 2007011164502; and SEC Administrative Proceeding File No.: S-13847.

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

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

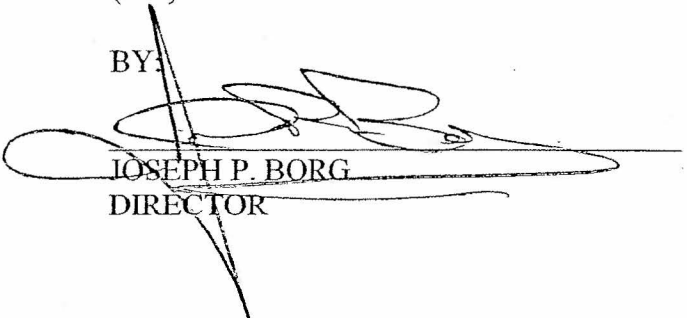
Based upon the foregoing, the Joint Notice of the State Regulators is hereby vacated and/or dismissed with no further action remaining against the individual Respondents Stringer, Sullivan and Wood.

Entered this 7th day of October, 2011.



ALABAMA SECURITIES COMMISSION
401 Adams Avenue, Suite 280
Montgomery, AL 36104-4700
(334) 242-2984

BY:


JOSEPH P. BORG
DIRECTOR

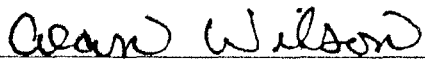
² A copy of the referenced consent orders are available at:
Alabama, <http://asc.alabama.gov/Orders/2010/CO-2010-0016.pdf>;
Kentucky, <http://www.kfi.ky.gov/public/morgankeegan.htm>;
Mississippi, <http://www.sos.ms.gov>;
South Carolina, <http://www.scag.gov/scsecurities/notices-and-orders>
Tennessee,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

BY ORDER OF KENTUCKY DIVISION
OF SECURITIES, DEPARTMENT OF
FINANCIAL INSTITUTIONS

SHONITA BOSSIER
DIRECTOR

• BY ORDER OF THE SECURITIES
COMMISSIONER OF THE STATE OF
SOUTH CAROLINA



ALAN WILSON
SECURITIES COMMISSIONER

KENTUCKY DIVISION
OF SECURITIES, DEPARTMENT OF
FINANCIAL INSTITUTIONS



SHONITA BOSSIER
DIRECTOR

THE SECURITIES COMMISSIONER OF
THE STATE OF SOUTH CAROLINA

ALAN WILSON
SECURITIES COMMISSIONER