

BEFORE THE SECURITIES COMMISSIONER  
OF THE STATE OF DELAWARE

IN THE MATTER OF: )  
 )  
RESOURCE CONSULTANTS, INC., )  
and EDELGARD SCHUETT KELM, ) Case No. 92-02-01  
a.k.a. EDELGARD SCHUETT, )  
a.k.a. ELLIE KELM, )  
 )  
Respondents. )

CONSENT ORDER

WHEREAS, it has been alleged by the Division of Securities of the Delaware Department of Justice in a Cease and Desist Order dated April 22, 1992 that:

A. Resource Consultants, Inc. ("RCI") is an investment advisory firm located at One Elm Oak Avenue, Newark, Delaware. Its president and only employee is Edelgard S. Kelm, a.k.a. Ellie Kelm ("Kelm").

B. In January and February of 1992, Kelm solicited Delaware investors to purchase various unsecured bank notes to be provided by out-of-state clients of RCI.

C. These solicitations constituted an "offering" of a "security" in violation of the Delaware Securities Act, because respondents are not registered as a broker-dealer, investment advisor, or agent to sell securities in Delaware as required by law.

WHEREAS, on April 22, 1992, the Securities Commissioner ordered the respondents to cease and desist from engaging in any

violations of the Delaware Securities Act, and gave the respondents 30 days from the date of that order to request a hearing.

WHEREAS, on May 21, 1992, counsel for the respondents requested a hearing but the parties agreed on or about June 3, 1992, to postpone the hearing pending discussions between the parties.

WHEREAS, respondents do not admit any of the allegations in the cease and desist order, and specifically deny all of those allegations, both factual and legal, but wish to waive their right to a hearing and resolve this matter by consent; and

WHEREAS, the Securities Commissioner finds that it is in the public interest to enter into this Consent Order.

NOW, THEREFORE, it is hereby stipulated by consent and ordered that:

1. Respondent shall cease and desist from hereafter engaging in any violations of the Delaware Securities Act.

2. Respondents shall pay to the State of Delaware for the benefit of the Investor Protection Fund, 6 Del. C. §7329, the amount of \$250. This amount shall be payable in full no later than 60 days after the date this Consent Order is signed by the Commissioner.

3. In the event the Division becomes aware of any conduct by respondent Kelm after the date this Consent Order is signed by the Commissioner that violates either this Consent Order or the Delaware Securities Act, the Division shall not be precluded by this Consent Order from prosecuting any of the violations alleged herein.

4. This Consent Order supersedes and vacates the Securities Commissioner's prior order dated April 22, 1992, and shall take effect immediately upon execution by the Securities Commissioner.

Resource Consultants, Inc.

By: Edelgard Schuett Kelm  
Edelgard Schuett Kelm

Dated: 1/20/93

Edelgard Schuett Kelm  
Edelgard Schuett Kelm

Dated: 1/20/93

W. Michael Turman  
W. Michael Turman  
Deputy Attorney General

Dated: 2/10/93

David B. Ripsom  
Duane, Morris & Heckscher  
Attorney for Respondents

Dated: 1/29/93

IT IS SO ORDERED this 22<sup>d</sup> day of <sup>March</sup> January, 1993.

Richard W. Hubbard  
Richard W. Hubbard  
Securities Commissioner