

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
NII-JII ENTERTAINMENT, LLC,
PARADISE KEY MANAGEMENT CO.,
MORGAN F. MURPHY, JR.,
MORGAN F. MURPHY III, and
ROBERT D. BOYLE,

PETITION FOR ORDER

Respondents.

File No. S-05217(EX)

The staff of the State of Wisconsin, Department of Financial Institutions, Division of Securities, Bureau of Registration & Enforcement ("the Division") has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats. and as a result thereof alleges as follows:

1. Upon information and belief, NII-JII Entertainment, LLC ("NII-JII") is a Wisconsin limited liability company, with a last known business address of 5522 104th Avenue, Kenosha, Wisconsin 53144;
2. Upon information and belief, Paradise Key Management Co. ("Paradise") is a Wisconsin corporation, with a last known business address at 5522 104th Avenue, Kenosha, Wisconsin 53144;
3. Upon information and belief, Morgan F. Murphy, Jr. ("Murphy") is an individual, who was born on April 16, 1932, who has a last known home address as that of 1409 South Indiana Avenue, Apartment A, Chicago, Illinois 60605, who at all times material hereto was an owner, officer and/or a controlling person of Paradise, and who at all times material hereto was an owner and a controlling person of NII-JII;
4. Upon information and belief, Morgan F. Murphy III ("Murphy III") is an individual, who was born on June 16, 1960, who has a last known home address of 731 South Racine Avenue, Unit A, Chicago, Illinois 60607, who was an owner and a controlling person of NII-JII effective March 15, 1999;
5. Upon information and belief, Robert D. Boyle ("Boyle") is an individual, who was born on October 7, 1936, who has a last known address at that of 6700 North LaPorte Avenue, Lincolnwood, Illinois 60712, who was an owner and a controlling person of NII-JII, effective March 15, 1999;

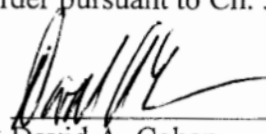
6. Upon information and belief, NII-JII had an agreement with the Menomonee Indian Tribe of Wisconsin and various governmental bodies to develop and manage a gaming casino in Kenosha, Wisconsin (the "Kenosha Casino");
7. Upon information and belief, at all times material hereto, NII-JII was controlled by Paradise, which promoted NII-JII and managed its affairs;
8. Upon information and belief, during the time period of 1997 to 2000, Murphy, Murphy III and Boyle, NII-JII and Paradise offered and sold to an indeterminant number of persons in Wisconsin stock and/or membership units in NII-JII;
9. Upon information and belief, during the offers and sales, referred to in Paragraph 8 above, Murphy, Murphy III and Boyle, NII-JII and Paradise provided to potential investors private placement summaries or equivalent documents, memoranda, subscription papers and other communications relating to NII-JII;
10. The investments, as described in Paragraph 8 above, are securities as that term is defined by DFI-Sec 1.02(6)(a), Wis. Adm. Code, and are therefore securities pursuant to sec. 551.02(13)(a), Wis. Stats.;
11. Staff of the Division wrote to the Respondents requesting information and documents concerning their investment-related activities with persons in Wisconsin and have received and considered the information and documents;
12. At least 35 of the investors, referred to in Paragraph 8 above, filed a civil lawsuit against the Respondents captioned R.A.P. I, LLC, Plaintiffs vs. NII-JII, et al., Defendants, Case No. 01-CV-1151, Kenosha County, alleging that the Respondents violated the Wisconsin securities laws in connection with the offer and sale of membership interests in NII-JII, by omitting to state material facts necessary in order to make the statements made in the private placement summaries or equivalent documents, memoranda, subscription papers and other communications relating to NII-JII, in light of the circumstances under which they were made, not misleading;
13. On May 24, 2005, a jury returned a verdict in the lawsuit referenced in Paragraph 12 above, finding that Respondents did omit a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading in connection with the offer and sale of membership interests in NII-JII, but further finding that the omission was not with the intent to deceive and induce the Plaintiffs to act upon the omission. Respondents appealed the verdict, and the parties ultimately reached an out-of-court settlement before the appeal was completed.

Therefore, the staff of the Division petitions the Administrator of the Division of Securities for the issuance of the attached Order pursuant to Ch. 551, Wis. Stats.

 5-25-06

Mark E. Dorman
Examiner

Date



David A. Cohen
Supervising Attorney

5/25/06

Date

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
MORGAN F. MURPHY, JR.,

ORDER OF PROHIBITION
AND REVOCATION
(CONSENT)

Respondent.

File No. S-05217(EX)

Based upon the attached Petition for Order and Waiver and Consent to Order I find that this action is necessary and appropriate in the public interest and for the protection of investors;

Therefore, pursuant to sec. 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Morgan F. Murphy, Jr., his agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on his behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551, Wis. Stats., or successor statute.
- b. All exemptions from registration set forth at Ch. 551, Wis. Stats., or successor statute, that might otherwise apply to any offer or sale of any security of or by Morgan Murphy, Jr., his, agents, servants, employees, and every entity or person directly or indirectly controlled or organized by or on his behalf, are hereby revoked.

EXECUTED at Madison, Wisconsin, this 30th day of May, 2006.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

NOTICE

You are advised that any willful violation of an Order issued by the Administrator of the Division of Securities of the Department of Financial Institutions of the State of Wisconsin under Ch. 551, Wis. Stats., is a criminal offense punishable under the provisions of sec. 551.58, Wis. Stats.

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
MORGAN F. MURPHY, JR.,

**WAIVER AND CONSENT
TO ORDER**

Respondent.

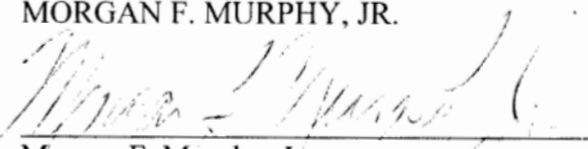
File No. S-05217(EX)

The undersigned Respondent, having decided not to contest the issuance of the attached Order, and neither admitting nor denying the allegations of the Petition for Order, hereby waives his right to a hearing with respect to this matter and hereby consents to the issuance of the Order;

The undersigned Respondent understands that the Order is effective when signed by the Administrator of the Division of Securities and that a willful violation of an Order signed by the Administrator is a criminal offense.

EXECUTED this 11th day of May, 2006.

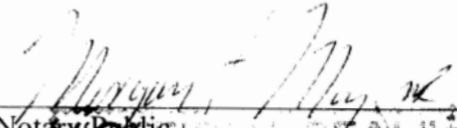
MORGAN F. MURPHY, JR.


Morgan F. Murphy, Jr.
(DOB 04/16/1932)

STATE OF ILLINOIS)
COUNTY OF COOK)

Subscribed before me this

11th day of May, 2006.


Notary Public

My Commission expires May 7, 2006

NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXPIRES MAY 7, 2006

RECEIVED
MAY 25 2006

STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
MORGAN F. MURPHY III,

ORDER OF PROHIBITION
AND REVOCATION
(CONSENT)

Respondent.

File No. S-05217(EX)

Based upon the attached Petition for Order and Waiver and Consent to Order I find that this action is necessary and appropriate in the public interest and for the protection of investors;

Therefore, pursuant to sec. 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- a. Morgan F. Murphy III, his agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on his behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551, Wis. Stats., or successor statute.
- b. All exemptions from registration set forth at Ch. 551, Wis. Stats., or successor statute, that might otherwise apply to any offer or sale of any security of or by Morgan Murphy III, his, agents, servants, employees, and every entity or person directly or indirectly controlled or organized by or on his behalf, are hereby revoked.

EXECUTED at Madison, Wisconsin, this 30th day of May, 2006.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

NOTICE

You are advised that any willful violation of an Order issued by the Administrator of the Division of Securities of the Department of Financial Institutions of the State of Wisconsin under Ch. 551, Wis. Stats., is a criminal offense punishable under the provisions of sec. 551.58, Wis. Stats.

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
MORGAN F. MURPHY, III,

**WAIVER AND CONSENT
TO ORDER**

Respondent.

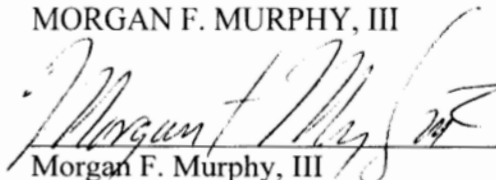
File No. S-05217(EX)

The undersigned Respondent, having decided not to contest the issuance of the attached Order, and neither admitting nor denying the allegations of the Petition for Order, hereby waives his right to a hearing with respect to this matter and hereby consents to the issuance of the Order;

The undersigned Respondent understands that the Order is effective when signed by the Administrator of the Division of Securities and that a willful violation of an Order signed by the Administrator is a criminal offense.

EXECUTED this 11th day of May, 2006.

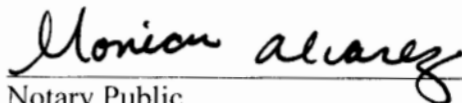
MORGAN F. MURPHY, III


Morgan F. Murphy, III
(DOB 06/16/1960)

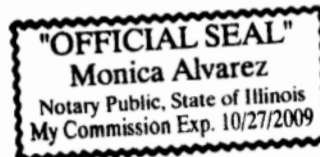
STATE OF ILLINOIS)
COUNTY OF COOK)

Subscribed before me this

11 day of May, 2006.


Notary Public

My Commission expires: 10/27/09



BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
ROBERT D. BOYLE,

**ORDER OF PROHIBITION
AND REVOCATION (CONSENT)**

Respondent.

File No. S-05217(EX)

Based upon the attached Petition for Order and Waiver and Consent to Order I find that this action is necessary and appropriate in the public interest and for the protection of investors;

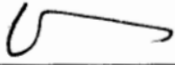
Therefore, pursuant to sec. 551.63, Wis. Stats.,

IT IS ORDERED THAT:

- A. Robert D. Boyle, his agents, servants, employees, and every entity and person directly or indirectly controlled or organized by or on his behalf, are prohibited from making or causing to be made to any person or entity in Wisconsin any further offers or sales of securities unless and until such securities qualify as covered securities or are registered under Ch. 551, Wis. Stats., or successor statute.
- B. All exemptions from registration set forth at Ch. 551, Wis. Stats., or successor statute, that might otherwise apply to any offer or sale of any security of or by Robert D. Boyle, his agents, servants, employees, and every entity or person directly or indirectly controlled or organized by or on his behalf, are hereby revoked.

EXECUTED at Madison, Wisconsin, this 30th day of May, 2006.

(SEAL)



Patricia D. Struck
Administrator
Division of Securities

NOTICE

You are advised that any willful violation of an Order issued by the Administrator of the Division of Securities of the Department of Financial Institutions of the State of Wisconsin under Ch. 551, Wis. Stats., is a criminal offense punishable under the provisions of sec. 551.58, Wis. Stats.

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of
ROBERT D. BOYLE,

**WAIVER AND CONSENT
TO ORDER**

Respondent.

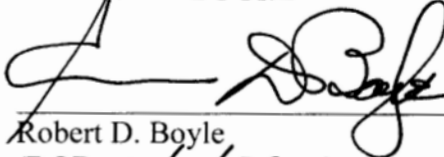
File No. S-05217(EX)

The undersigned Respondent, having decided not to contest the issuance of the attached Order, and neither admitting nor denying the allegations of the Petition for Order, hereby waives his right to a hearing with respect to this matter and hereby consents to the issuance of the Order;

The undersigned Respondent understands that the Order is effective when signed by the Administrator of the Division of Securities and that a willful violation of an Order signed by the Administrator is a criminal offense.

EXECUTED this 23~~rd~~ day of May, 2006.

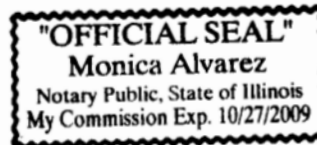
ROBERT D. BOYLE


Robert D. Boyle
(DOB 10/7/36)

STATE OF ILLINOIS)
COUNTY OF COOK)

Subscribed before me this

23 day of May, 2006.



Monica Alvarez
Notary Public
My Commission expires: 10/27/2009