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ST. PETERSBURG, FLORIDA U.S.A.
RESORTS INTERNATIONAL, INC.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD JUNE 17, 1986

To the Holders of Class A Common Stock
and Class B Common Stock of
RESORTS INTERNATIONAL, INC.:

Notice is hereby given that the Annual Meeting of the holders of Class A Common Stock and Class B Common Stock of Resorts International, Inc. (hereinafter called the "Company") will be held at the Resorts International Casino Hotel, Boardwalk and North Carolina Avenue, Atlantic City, New Jersey, on Tuesday, June 17, 1986, at 11 o'clock A.M., local time, for the following purposes:

- (1) To elect a Board of Directors for the ensuing year;
- (2) To confirm the selection of Price Waterhouse as independent accountants for the Company for the fiscal year 1986; and
- (3) To transact such other business as may properly come before the meeting and any and all adjournments thereof. In accordance with the provisions of the Bylaws, the close of business on May 13, 1986, has been fixed as the record date for determining the shareholders entitled to notice of and to vote at the meeting. The stock transfer books will not be closed.

By order of the Board of Directors,
HENRY B. MURPHY,
Secretary

Dated: May 16, 1986

Your attention is called to the within Proxy Statement. Whether or not you plan to attend the meeting, please date, sign and return promptly the accompanying proxy, which requires no postage if mailed in the United States. This may save your Company the expense of further proxy solicitation. You may withdraw your proxy by written notice addressed and delivered to the Secretary of the Company at 915 Northeast 125th Street, North Miami, Florida 33161 prior to the meeting, or by attending the meeting in person and voting your own shares.

A

RESORTS INTERNATIONAL, INC.

915 Northeast 125th Street
North Miami, Florida 33161

PROXY STATEMENT

General

The solicitation of the proxy sought hereby is made by and on behalf of the Board of Directors of the Company, to be used at the 1986 Annual Meeting of the holders of Class A Common Stock and Class B Common Stock of the Company, to be held at the Resorts International Casino Hotel, Boardwalk and North Carolina Avenue, Atlantic City, New Jersey, on Tuesday, June 17, 1986, at 11 o'clock A.M., local time, and at any and all adjournments thereof (such meeting and any adjournments thereof being herein referred to as the "Meeting"). The approximate date on which proxy materials are first being sent to shareholders is May 16, 1986.

Any proxy properly given pursuant to this solicitation and received in time for the Meeting will be voted with respect to all shares represented by it and will be voted in accordance with the instructions, if any, given therein. If no instructions are given, the proxy will be voted FOR the election of each of the director-nominees listed below, and FOR the within described proposal to confirm the selection of independent accountants. The proxy may be revoked by written notice addressed and delivered to the Secretary of the Company at 915 Northeast 125th Street, North Miami, Florida 33161 at any time prior to the Meeting. Of course, if you attend the Meeting, you may, if you so desire, revoke your proxy and vote in person.

A copy of the 1985 Annual Report containing financial statements for each of the three fiscal years in the period ended December 31, 1985, is being mailed to shareholders herewith. Such Annual Report does not constitute a part of this proxy solicitation material.

The cost of solicitation of proxies will be borne by the Company. In addition to this solicitation by mail, officers and regular employees of the Company may make solicitations by telephone, telegraph, mail or personal interviews, and arrangements may be made with banks, brokerage firms and others to forward proxy materials to their principals. The Company will defray the expenses of such additional solicitations. In addition to the solicitations above described, the Company may also retain professional solicitors to solicit proxies by interviews, mail, telephone and telegraph, in which event the Company may be required to pay fees of approximately \$10,000 plus disbursements.

Only holders of Class A Common Stock and Class B Common Stock of record at the close of business on May 13, 1986, are entitled to notice of and to vote at the Meeting. As of such record date, there were outstanding 5,679,411 shares of Class A Common Stock and 752,297 shares of Class B Common Stock. Each share of Class A Common Stock is entitled to one one-hundredth of a vote and each share of Class B Common Stock is entitled to one vote on matters to come before the Meeting.

ELECTION OF DIRECTORS

It is proposed that six directors be elected at the Meeting to serve until the next annual meeting and until the election and qualification of their successors. Proxies cannot be voted for more than six persons. Directors are elected annually. The shares represented by the proxies received as a result of this solicitation will be voted and it is the intention of the persons named as proxies to vote such shares FOR each of the nominees listed below proposed by the Board of Directors unless a shareholder has withheld such authority. In the event any such nominee declines or is unable to serve, proxies will be voted for the election of the others so named and may be voted for substitute nominees. The Company, however, knows of no reason to anticipate that this will occur.

Two of the nominees (Messrs. William M. Crosby and Henry B. Murphy) were elected to the Board of Directors at the 1984 Annual Meeting of Shareholders. No annual meeting of shareholders was held in 1985 because of the effort needed to comply with a February 1985 decision of the New Jersey Casino Control Commission (the "CCC") requiring that half of the Company's Board of Directors be independent directors. In order to comply with the CCC's requirement, Dr. John F. Crosby, Jr., a brother of two directors (William M. Crosby and the late James M. Crosby), and Mr. I.G. Davis, Jr., President of the Company, resigned from the Board effective December 31, 1985, and Messrs. George A. Bariscillo, Jr., William Druz, and Mitchell Sviridoff were appointed to serve as directors. Messrs. Bariscillo, Druz and Sviridoff recently have been qualified and determined to be independent by the CCC.

On April 10, 1986, Mr. James M. Crosby, Chairman of the Board of Directors and Chief Executive Officer of the Company since 1961, died. On April 15, 1986, Mr. Henry B. Murphy was elected Chairman of the Board and Mr. Charles E. Murphy, Jr. was appointed to serve as a director and also was elected to serve as Vice Chairman of the Board of Directors.

Information Concerning Nominees

All the nominees are currently directors of the Company. The following table sets forth information as to the beneficial ownership of Class A and Class B Common Stock as of April 15, 1986, of each director and of all directors and officers as a group, and certain other information. All directors are elected to serve until the next annual meeting of shareholders and until their successors are duly elected and qualified.

<u>Name</u>	<u>Age</u>	<u>Director Since</u>	<u>Title of Class</u>	<u>Shares Beneficially Owned</u>	<u>Percent of Class</u>	<u>Percent of Combined Voting Power</u>
Henry B. Murphy(1)(3)(4)(5)(6)	60	1958	Class A Class B	3,176 395,313	.06 52.55	48.86
Chairman of the Board of Directors of the Company since April 1986; Secretary of the Company since 1958; member of the Advisory Board of the National State Bank of Elizabeth, New Jersey; principal officer of M. William Murphy, Inc. (funeral directors) and Trenton Chair Co. (real estate holdings).						

<u>Name</u>	<u>Age</u>	<u>Director Since</u>	<u>Title of Class</u>	<u>Shares Beneficially Owned</u>	<u>Percent of Class</u>	<u>Percent of Combined Voting Power</u>
Charles E. Murphy, Jr.(1)(3)(4)	62	1986	Class A Class B	47,942 14,400	.84 1.91	1.84
Vice Chairman of the Board of Directors of the Company since April 1986; of counsel to Whitman & Ransom (law firm), New York, New York, since April 1986; partner of Whitman & Ransom from 1976 to April 1986.						
William M. Crosby(4)	57	1958	Class A Class B	93,518 3,750	1.65 .50	.58
Vice President of the Company from 1959 to 1968 and from 1969 to date; associate of Realty Exchange, Inc. (real estate brokerage firm) since 1974.						
George A. Bariscillo, Jr.(2)	63	1985		None		
Attorney at law; since 1966, partner at Carton, Nary, Witt & Arvanitis in Asbury Park, New Jersey.						
William Druz(2)(3)	70	1985		None		
Personnel and employee relations consultant since 1980; personnel consultant to the New Jersey State Court System.						
Mitchell Sviridoff(2)	67	1985		None		
Partner in Sviridoff, Grinker, Pickman & Associates, a consulting firm in the field of community development and human resources, since January 1986; President of the Local Initiatives Support Corporation from 1981 to 1986; Vice President, Division of National Affairs of the Ford Foundation from 1967 to 1980.						
Directors and officers as a group (14 persons)(5)(6)(7)			Class A Class B	244,641 413,463	4.31 54.96	51.40

(1) Member of Executive Committee.

(2) Member of Audit Committee.

(3) Member of Compensation Committee.

(4) Henry B. Murphy is married to the sister of William M. Crosby. Henry B. Murphy and Charles E. Murphy, Jr. are cousins.

(5) Class A and Class B figures, respectively, include 81 shares and 390,783 shares owned by the Estate of James M. Crosby. Henry B. Murphy, as one of two co-executors of the estate, has shared voting and dispositive power with respect to those shares.

(6) Class A and Class B figures do not include 14,760 shares of Class A and 83,471 shares of Class B Common Stock held by Mr. Murphy's wife, Elaine C. Murphy.

- (7) These figures include 24,565 shares of Class A Common Stock held by the Resorts International Hotel, Inc. ("RIH") Thrift Savings and Incentive Plan, a benefit program for RIH employees. (RIH is a wholly-owned subsidiary of the Company.) Two officers of the Company are two of the three Trustees of this Plan; the three Trustees together have the power to vote shares which the Plan holds for the benefit of the RIH employees and to grant proxies with respect to those shares. Neither of the two officers of the Company who serve as trustee is a beneficiary of this Plan, and each disclaims beneficial ownership of these shares.

An organizational meeting of the Board of Directors is held annually following the conclusion of the annual meeting of shareholders. Special meetings of the Board are called by the Chairman or the Vice Chairman. During 1985 the Board met three times and took action by written consent twice, and the Executive Committee took action by written consent once. In accordance with the Bylaws of the Company, during the intervals between the meetings of the Board, the Executive Committee is authorized to exercise all the powers of the Board in the management of the business, affairs and property of the Company.

The members of the Company's Audit Committee are George A. Bariscillo, Jr., William Druz, and Mitchell Sviridoff, all of whom have been Directors of the Company since December 31, 1985. As of March 27, 1985, James M. Crosby and I. G. Davis, Jr. resigned from the Audit Committee in accordance with the requirements of the February 1985 CCC decision. Responsibilities of the Audit Committee include, among other things, recommendations to the Board for the selection of independent accountants and determinations of the scope and frequency of internal audits, as well as the monitoring of corporate compliance with the Company's internal accounting and administrative controls. The Audit Committee met twice during 1985; Messrs. Crosby and Davis were present at fewer than 75% of those meetings.

During 1985, the Company established a Compensation Committee which is responsible for reviewing and evaluating the compensation of the Company's executive personnel. Messrs. Charles E. Murphy, Jr., Henry B. Murphy and William Druz are the members of this committee.

During 1985, there was no standard arrangement for compensation of directors, including attendance at Board and committee meetings. The Company has varying compensation arrangements with its directors for their services to the Company as directors and officers. Such arrangements are reviewed periodically and adjustments made as considered appropriate. The amounts shown as compensation in the table under the caption "Remuneration of Executive Officers" for James M. Crosby and I.G. Davis, Jr., include an indeterminate amount that represents compensation for their respective services as directors of the Company. For the year ended December 31, 1985, the Company paid the following amounts to the other directors as compensation for their services as directors and officers of the Company: Dr. John F. Crosby, Jr.—\$10,916; William M. Crosby—\$32,177; and Henry B. Murphy—\$24,095. Included in each of these amounts is an indeterminate portion which represents compensation for services as a director.

Messrs. Bariscillo, Druz and Sviridoff, are each to receive \$18,000 annually as compensation for serving as directors and, subject to the approval of the CCC, \$500 for each Board meeting attended and \$500 for each committee meeting attended when a committee meeting is not held on the same day as a Board meeting.

Remuneration of Executive Officers

The following table sets forth information concerning cash compensation paid for services in all capacities to the Company and its subsidiaries, to each of the five most highly compensated executive officers of the Company, whose total remuneration exceeded \$60,000 each, and to all executive officers of the Company as a group, for the fiscal year ended December 31, 1985.

<u>Name of Individual or Number of Persons in Group</u>	<u>Capacities in which Served*</u>	<u>Cash Compensation</u>
James M. Crosby	Chairman of the Board of Directors and Chief Executive Officer	\$ 511,517
I. G. Davis, Jr.	President and Chief Operating Officer	\$ 412,012
Robert D. Peloquin	Senior Vice President	\$ 347,596
H. Steven Norton	Executive Vice President	\$ 253,193
Matthew B. Kearney	Vice President—Finance	\$ 215,000
Executive officers as a group (8 persons)		\$1,966,683

* Reflects the capacities in which these executive officers served the Company during the year ended December 31, 1985. James M. Crosby died on April 10, 1986. Effective April 15, 1986, I.G. Davis, Jr. became the Chief Executive Officer of the Company and Robert D. Peloquin became an Executive Vice President of the Company.

No deferred forms of remuneration were received by officers during 1985 except for pension benefits accrued under the retirement plans described under the caption "Group Retirement Plans."

Except as described in this proxy statement, during 1985 there was no compensation in the form of personal benefits, securities or other non-cash property paid to any of the individuals named in the table or to the executive officers as a group, which exceeded the lesser of \$25,000 or 10% of cash compensation in the case of the named individuals, or 10% of the total cash compensation paid to all executive officers, taking those officers as a group.

Group Life Insurance

The Company's group life insurance policy provides life and accidental death and dismemberment coverage to all officers and employees of the Company. Under the policy, coverage is provided to officers and certain other employees at an amount equal to three times their annual salary up to a maximum coverage of \$500,000, while all other employees of the Company are provided coverage at an amount equal to one and one-half times their annual salary up to a maximum coverage of \$300,000. In all other respects, the Company's group life insurance policy does not discriminate in scope, terms or operation in favor of the executive officers of the Company. The total of the net premiums paid by the Company in 1985 for the additional coverage provided to executive officers was approximately \$11,000.

Executive Health Plans

The Company's executive health plan for officers and certain other employees provides supplemental medical expense benefits not available under the Company's regular group health plan up to a maximum of \$25,000 per year for each officer and employee covered by the plan. In all other respects, the Company's group health plans do not discriminate in scope, terms or operation in favor of the executive officers of the Company. The cost to the Company of providing benefits under the executive health plan to James M. Crosby and to the other seven executive officers as a group during 1985 was approximately \$13,000 and \$15,000, respectively.

Group Retirement Plans

The executive officers of the Company are potentially covered by both the Company's qualified group retirement plan and an officers' supplemental retirement plan, both of which are described below. Benefits under these plans are based upon the participants' compensation and years of service, among other factors. Compensation covered by these plans includes virtually all amounts shown in the cash compensation table above. The number of years of service completed by the executive officers listed in that table are as follows: Mr. Crosby—27; Mr. Davis—25; Mr. Peloquin—16; Mr. Norton—18; Mr. Kearney—6.

All eligible employees of the Company are covered by the Company's qualified group retirement plan which provides for retirement benefits based upon an employee's salary or wage and years of credited service (up to a maximum of 15 years). The maximum benefit payable under this plan is \$90,000 per year. Annual benefits are computed on a life annuity basis. Each executive officer of the Company listed in the cash compensation table above would be entitled to receive maximum benefits under this plan, assuming the executive officer works for the Company until age 65.

Effective January 1, 1986, the Company adopted a non-qualified, non-funded officers' supplemental retirement plan, which covers officers of the Company who have attained the age of 55, completed at least four years of service, as defined, with the Company or its affiliates, and had not yet attained the age of 69 as of the effective date. This supplemental plan provides for retirement benefits based upon an officer's highest annual base salary (excluding bonuses and any other extra compensation in any form), years of service and age at retirement.

An officer who retires at age 65 is entitled to receive, to the extent he is vested, annual benefits equal to 50 percent of his highest annual compensation. Participants are fully vested after 15 years of service. These annual benefits will be increased by an additional 5 percent of compensation for the completion of each additional 5 years of service in excess of 15 years of service. Benefits payable under the supplemental plan are to be reduced by any benefits payable under the Company's qualified retirement plan described above and 100% of the participant's estimated social security benefits. Benefits are payable monthly in the form of a single life annuity. Reduced benefits are provided for under this supplemental plan for officers retiring between the ages of 55 and 65; however, in the case where a participant is forced to retire for reasons beyond the control of the Company, there is no reduction of benefits for such early retirement. Reduced benefits are also payable, upon the death of a participant, to his spouse or other designated beneficiary.

Estimated annual benefits under both the Company's qualified group retirement plan and the officers' supplemental retirement plan combined, assuming the officer retires at age 65, for various remuneration levels and years of service are presented in the following table:

<u>Highest Annual Compensation</u>	<u>Estimated Annual Benefits*</u> <u>Assuming this Number of Years of Service</u>			
	<u>15</u>	<u>20</u>	<u>25</u>	<u>30</u>
\$200,000	\$100,000	\$110,000	\$120,000	\$130,000
\$250,000	\$125,000	\$137,500	\$150,000	\$162,500
\$300,000	\$150,000	\$165,000	\$180,000	\$195,000
\$350,000	\$175,000	\$192,500	\$210,000	\$227,500
\$400,000	\$200,000	\$220,000	\$240,000	\$260,000
\$450,000	\$225,000	\$247,500	\$270,000	\$292,500
\$500,000	\$250,000	\$275,000	\$300,000	\$325,000
\$550,000	\$275,000	\$302,500	\$330,000	\$357,500

* Amount will be reduced by 100% of the participant's estimated social security benefits.

Stock Options

At various times, the Company has granted stock options to purchase shares of the Company's Class A Common Stock to officers and certain other employees of the Company and its subsidiaries. The number of stock options granted and the recipients involved were determined by the Company's Board of Directors based upon various relevant factors such as position with the Company and length of service. During 1985, Mr. Norton exercised stock options that, at the date of exercise, had an aggregate market value which exceeded the option price by \$277,500. No other executive officers exercised stock options during 1985. As of December 31, 1985, no stock options were outstanding.

PRINCIPAL HOLDERS OF CLASS A AND CLASS B COMMON STOCK

The following table sets forth pertinent information as to the beneficial ownership of Class A and Class B Common Stock as of April 15, 1986, by persons known by the Company to be holders of 5% or more of either class. Information as to the number of shares beneficially owned has been furnished by the persons named in the table.

<u>Name and Address of Beneficial Owner</u>	<u>Title of Class</u>	<u>Shares Beneficially Owned</u>	<u>Percent of Class</u>	<u>Percent of Combined Voting Power</u>
Estate of James M. Crosby	Class A	81	—	
Co-executors are Henry B. Murphy and Thomas S. Murphy(1)(2)(3) c/o Henry B. Murphy Resorts International, Inc. Boardwalk and North Carolina Avenue Atlantic City, N.J. 08404	Class B	390,783	51.95	48.30
Elaine C. Murphy(2)	Class A	14,760	.26	
c/o Resorts International, Inc. Boardwalk and North Carolina Avenue Atlantic City, N.J. 08404	Class B	83,471	11.10	10.33
Suzanne C. Murphy(2)	Class A	460	.01	
c/o Resorts International, Inc. Boardwalk and North Carolina Avenue Atlantic City, N.J. 08404	Class B	43,988	5.85	5.44

- (1) Henry B. Murphy, Chairman of the Board of Directors of the Company, and Thomas S. Murphy are co-executors of the Estate of James M. Crosby. As such, they share voting and dispositive power with respect to the shares held by the estate. Henry B. Murphy also beneficially owns 3,095 shares, or .05%, of Class A and 4,530 shares, or .60%, of Class B, which amounts to .56% of the combined voting power of shares outstanding. Thomas S. Murphy also beneficially owns 100 shares, or less than one one-hundredth of one percent, of Class A shares, which amounts to less than one one-hundredth of one percent of the combined voting power of shares outstanding.
- (2) Henry B. Murphy and Elaine C. Murphy are husband and wife; they disclaim beneficial ownership of each other's shares. Suzanne C. Murphy and Thomas S. Murphy are husband and wife; they disclaim beneficial ownership of each other's shares. Elaine C. Murphy and Suzanne C. Murphy are sisters of William M. Crosby, a director and officer of the Company, and of the late James M. Crosby. Henry B. Murphy and Thomas S. Murphy are cousins. Thomas S. Murphy and Charles E. Murphy, Jr., the Vice Chairman of the Board of Directors of the Company, are brothers.
- (3) The Company understands that a portion of the shares held by the Estate of James M. Crosby are ultimately to be distributed to certain surviving members of Mr. Crosby's family.

Transactions with Management and Others

On April 8, 1985, the Company purchased 122,000 shares (the "Shares") of its Class B Common Stock, representing approximately 14% of the then outstanding shares of that class, from Cowen & Company, a securities broker dealer, and Cygnet V, an unaffiliated partnership and joint owner of the Shares, at a price of \$53.00 per share. Cowen & Company and Cygnet V returned to the Company profits on certain of the Shares under Section 16(b) of the Securities Exchange Act of 1934 in the amount of \$133,099.50, resulting in a net price to the Company of approximately \$51.90 per share. The agreement between the parties provides, among other things, that Cowen & Company agrees not to purchase any shares of the Class B Common Stock, except purchases made solely as agent for customers, for a period of five years, and Cygnet V agrees that it will not accumulate more than 5% of the Class B Common Stock outstanding at any time without qualifying under the New Jersey Casino Control Act. The closing price of the Class B Common Stock on the American Stock Exchange on April 4, 1985, the last trading day prior to the purchase of the shares, was \$52.00 per share.

The Board of Directors of the Company determined that the repurchase of the Shares was in the best interest of the Company based upon a number of factors. In this regard the Company received and relied upon opinions of its investment banker and financial adviser that this repurchase was fair, from a financial point of view, to the Company's remaining shareholders. It also received and relied upon opinions of special Delaware and New Jersey counsel regarding the considerations of Delaware corporate law and the New Jersey Casino Control Act, respectively.

Charles E. Murphy, Jr., who was appointed to the Board of Directors of the Company in April 1986, is of counsel to Whitman & Ransom, which furnishes legal services as general counsel to the Company.

Indebtedness of Management and Others

On January 15, 1985, H. Steven Norton, Executive Vice President of the Company, exercised stock options to purchase 30,000 shares of Class A Common Stock of the Company at a price of \$30.00 per share. These options were to expire on January 16, 1985. Of the exercise price, \$300,000 was received in cash and \$600,000 in a demand note payable to the Company with interest at the rate of 10% per annum compounded quarterly. In March 1986, Mr. Norton repaid the entire principal balance of \$600,000 plus accrued interest.

During the six months preceding January 15, 1985, Mr. Norton sold an aggregate of 7,000 shares of Class A Common Stock of the Company in open market transactions. Under Section 16(b) of the Securities Exchange Act of 1934, and by operation of Rule 16b-6 thereunder, profits realized by Mr. Norton from these sales and the purchase upon exercise of his stock options inure to the Company's benefit to the extent of the difference between the proceeds of the sales and the exercise price of 7,000 shares under his stock options. The amount of profit thus determined to be returned to the Company by Mr. Norton amounted to \$52,250. Mr. Norton paid this amount in 1985.

In order to facilitate the payment of certain current expenses of the Estate of James M. Crosby, the Company advanced a total of \$150,000 for the benefit of the Estate during the period April 11 through April 30, 1986. The Company expects that these advances will be repaid by the Estate during May 1986.

PROPOSAL TO CONFIRM THE SELECTION OF INDEPENDENT ACCOUNTANTS

Shareholders will be asked to approve and confirm the selection of Price Waterhouse as independent accountants for the Company for the fiscal year 1986. The Company has been informed that such firm has no financial interest in the Company. The affirmative vote of a majority of the shares of the Class A and Class B Common Stock, voting together, present in person or by proxy and entitled to vote, will constitute confirmation of the selection.

The Board of Directors recommends that shareholders vote FOR the selection of Price Waterhouse as independent accountants.

It is expected that representatives of Price Waterhouse will be present at the Meeting, will be available to respond to appropriate questions, and will have the opportunity to make a statement to the shareholders if they so desire.

1986 SHAREHOLDER PROPOSALS

Proposals by shareholders which are intended to be presented at the 1987 Annual Meeting must be received by the Company on or before February 17, 1987.

OTHER MATTERS

At the date of this proxy statement the Board of Directors is not aware of any matters to be presented for action at the Meeting other than those described above. However, if any other matters should come before the Meeting, it is the intention of the persons named in the accompanying proxy to vote such proxy in accordance with their judgment on such matters.

By Order of the Board of Directors,
HENRY B. MURPHY,
Secretary

Dated: May 16, 1986