

1 **FINDINGS OF FACT**

2 The Director **FINDS** that:

3 1. Carroll Media, Inc. (CMI) is a California corporation whose current
4 address is 5156 Sepulveda Blvd., Sherman Oaks, CA 91499-1817.
5 (818) 907-1415;

6 2. Roland Carroll (CARROLL) is President and sole shareholder of CMI.
7 CARROLL's business address is the same as that of CMI;

8 3. Young Elvis Partners (ELVIS) is a California limited partnership whose
9 purpose is to develop a worldwide market for the sale of copyrighted and
10 heretofore non-published performances and photographs of Elvis Presley. CMI is
11 the General Partner of ELVIS. Limited partnership interests in ELVIS were never
12 registered for sale in Oregon;

13 4. Respondent Paul L. Miller (MILLER) is an "Associate Producer" and an
14 authorized representative of CMI whose last known address is the same as that of
15 CMI;

16 5. Respondent Gary Piano (PIANO) is an "Associate" Producer" and an
17 authorized representative of CMI whose last known address is the same as that of
18 CMI;

19 6. CMI purchased a list of potential investors' names and telephone
20 numbers from a company known as United Marketing Group in Naperville, Illinois.
21 Between January 21, 1992 and June 18, 1993 CMI representatives MILLER, PIANO and
22 CARROLL directed telephone solicitations to at least nine Oregon residents whose
23 names were included on such list and offered to sell to those individuals
24 limited partnership interests in ELVIS;

25 7. On March 3, 1993 CARROLL made the following representations in a
26 letter to DFCS Investigator Patricia Russell:

- 1 a. that CMI and ELVIS relied on the exemption from registration and
2 licensing requirements provided at ORS 59.035(12)(a) for the offers that
3 were made to Oregon residents;
4
5 b. that no person other than CARROLL was making offers to sell the limited
6 partnership interests in Oregon, and that CARROLL believed he, as General
7 Partner of the limited partnership, was exempt from Oregon registration and
8 licensing requirements;

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10 8. On May 26, 1993 Investigator Russell advised CARROLL in writing that
11 the exemption from registration and licensing requirements which is provided at
12 ORS 59.035(12)(a) prohibits general solicitation of investors and that the
13 anti-fraud provisions of ORS Chapter 59 apply to all securities transactions in
14 Oregon, whether or not they are conducted within the parameters of an exemption
15 from registration and licensing provisions;

16 9. In June 1993 Respondents MILLER and PIANO made telephone solicitations
17 and offers for the sale of limited partnership interests for ELVIS to three
18 Oregon residents whose names were included on the list of potential investors
19 that CMI purchased from United Marketing Group;

20 10. On or about June 18, 1993 Oregon resident James O'Neal invested \$5,000
21 in ELVIS. The transaction was effected by Respondent PIANO;

22 11. Respondents CMI, CARROLL, MILLER and PIANO have never been licensed to
23 represent a broker-dealer or an issuer of securities in effecting or attempting
24 to effect in any manner securities transactions in Oregon.

25 CONCLUSIONS OF LAW

26 The Director **CONCLUDES** that:

1. The limited partnerships interests issued by ELVIS and offered and
sold by Respondents CMI, CARROLL, MILLER and PIANO are "securities" included
under ORS 59.015(17)(a);

2. The telephone solicitations and offers made by CARROLL, PIANO and

1 MILLER to Oregon residents whose names were included on a list of potential
2 investors that CMI purchased constitute a general solicitation under Oregon law;

3 3. The exemption provided at ORS 59.035(12)(a) is not available for any
4 of the offers made to Oregon residents by Carroll, PIANO and MILLER or for the
5 sale of a limited partnership interest in ELVIS to James O'Neal;

6 4. Respondents CMI, acting by and through its authorized representatives,
7 and Respondents CARROLL, MILLER and PIANO offered and/or sold unregistered
8 securities in the State of Oregon in violation of ORS 59.055;

9 5. Respondents CMI, CARROLL, MILLER and PIANO effected unlicensed
10 securities transactions in the State of Oregon in violation of ORS 59.165.

11 **ORDER**

12 **NOW THEREFORE, THE DIRECTOR ORDERS** that CARROLL MEDIA, INC, ROLAND CARROLL,
13 PAUL L. MILLER, GARY PIANO and YOUNG ELVIS PARTNERS shall **CEASE AND DESIST** from:

- 14 1. Offering and/or selling securities to persons in the State of Oregon
15 in violation of ORS Chapter 59.
16 2. Engaging in any practices or conduct which are prohibited under ORS
17 Chapter 59.
18 3. Violating any of the provisions of ORS Chapter 59 and Oregon
19 Administrative Rules Chapter 441.

20 Pursuant to the authority of ORS 59.045, Respondents CARROLL MEDIA, INC.,
21 ROLAND CARROLL, PAUL L. MILLER, GARY PIANO and YOUNG ELVIS PARTNERS are **DENIED**
22 the use of any exemptions allowed by ORS 59.025 and/or ORS 59.035.

23 Pursuant to the authority of ORS 59.995, THE DIRECTOR **ORDERS** that CARROLL
24 MEDIA, INC. and ROLAND CARROLL **SHALL PAY** a civil penalty in the amount of
25 \$500.00 for violations stated herein, and shall be jointly and severally liable
26 for payment of such penalty.

OREGON DEPARTMENT OF INSURANCE AND FINANCE
Corporate Securities Section
21 Labor and Industries Building
Salem, OR 97310
(503) 378-4387

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The entry of this Order in no way limits further remedies which may be available to the Director under Oregon law.

Dated this 27th day of October, 1993 at Salem, Oregon.



GEOFF GUILFOY,
DEPUTY DIRECTOR
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES