

ORIGINAL

NEW APPLICATION



0000087179

Memorandum

DATE: August 1, 2008
TO: Kay Kilger
Docket Control
FROM: Aikaterine Vervilos
Securities Division
RE: Stanley Lane Boblett, et al.
Docket No. S-20609A-08-0398
Assigned Staff
CC: Emie R. Bridges

RECEIVED

2008 AUG -1 P 2: 26

AZ CORP COMMISSION
DOCKET CONTROL

This is to notify you that the following individuals have been assigned to the above-mentioned case.

- Matthew J. Neubert
- Julie Coleman

Aikaterine Vervilos (Staff Attorney)

Michael Rice (Staff Investigator)

Arizona Corporation Commission

DOCKETED

AUG -1 2008

DOCKETED BY	
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1 ORIGINAL

NEW APPLICATION

RECEIVED

3 BEFORE THE ARIZONA CORPORATION COMMISSION

4 COMMISSIONERS

5 MIKE GLEASON, Chairman
6 WILLIAM A. MUNDELL
7 JEFF HATCH-MILLER
8 KRISTIN K. MAYES
9 GARY PIERCE

AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission
DOCKETED

AUG - 1 2008

DOCKETED BY [Signature]

9 In the matter of:
10 STANLEY LANE BOBLETT (CRD)
11 #2209980)(a/k/a Lane Boblett) and ANTONIA)
12 BOBLETT (a/k/a Toni Boblett and/or Antonia)
13 Loera-Marks), husband and wife,)
14 PACIFIC COAST HOLDING COMPANY, a)
15 Delaware Corporation; and)
16 HALL OF FAME PARTNERS, LLC, a)
17 Delaware Limited Liability Company,)
18 Respondents.)

DOCKET NO. S-20609A-08-0398
**NOTICE OF OPPORTUNITY FOR
HEARING REGARDING PROPOSED
ORDER TO CEASE AND DESIST, ORDER
FOR RESTITUTION, FOR
ADMINISTRATIVE PENALTIES, AND
FOR OTHER AFFIRMATIVE ACTION**

17 **NOTICE: EACH RESPONDENT HAS 10 DAYS TO REQUEST A HEARING**
18 **EACH RESPONDENT HAS 30 DAYS TO FILE AN ANSWER**

19 The Securities Division ("Division") of the Arizona Corporation Commission ("Commission")
20 alleges that Respondents Stanley Lane Boblett (a/k/a Lane Boblett), Pacific Coast Holding Company,
21 and Hall of Fame Partners, LLC have engaged in acts, practices, and transactions that constitute
22 violations of the Securities Act of Arizona, A.R.S. § 44-1801 *et seq.* ("Securities Act").

23 I.
24 JURISDICTION

25 1. The Commission has jurisdiction over this matter pursuant to Article XV of the
26 Arizona Constitution and the Securities Act.

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II.
RESPONDENTS

2. Stanley Lane Boblett (a/k/a Lane Boblett)(“BOBLETT”) is an individual who at all relevant times offered and sold securities within or from Arizona.

3. Antonia Boblett (a/k/a Toni Boblett and/or Antonia Loera-Marks) (“T. BOBLETT”) has been at all relevant times the spouse of Respondent BOBLETT. T. BOBLETT may be referred to as “Respondent Spouse.” Respondent Spouse is joined in this action under A.R.S. § 44-2031(C) solely for purposes of determining the liability of the marital community.

4. Pacific Coast Holding Company (“PCH”) is a company incorporated in Delaware.

5. BOBLETT is a Director of PCH.

6. Hall of Fame Partners, LLC (“FAME”) is a Delaware Limited Liability Company.

7. BOBLETT is a “Director” (sic) of FAME.

8. At all relevant times, BOBLETT has been acting for his own benefit and for the benefit or in furtherance of the marital community.

9. BOBLETT, PCH and FAME may be referred to individually or, collectively, as “RESPONDENTS” as the context so requires.

10. BOBLETT (CRD#2209980) has not been a registered salesman since November 2000 and has not been a registered dealer. At all times relevant, RESPONDENTS were not registered with the Commission as dealers or salesmen.

III.
FACTS

11. Beginning on or about March 2006 to at least December 2007, RESPONDENTS offered and/or sold unregistered securities in the form of investment contracts, shares of stock and promissory notes to at least six investors, including at least one Arizona investor. RESPONDENTS raised at least \$500,000 from investors.

1 12. The underlying nature of the investment contracts varied and included investments
2 in companies that produced a product known as a “Kickstand”, beverages, and digitized film
3 (collectively referred to as the “Investments.”).

4 **A. KICKSTAND**

5 13. BOBLETT offered at least one investor an investment contract that BOBLETT
6 called shares of stock in a company that made a “Kickstand.” BOBLETT represented to at least
7 one investor that the “Kickstand” was a device designed to hold a guitar.

8 14. BOBLETT promised at least one investor a rate of return of 150% on this
9 investment.

10 15. BOBLETT instructed at least one investor to make the funds payable to “Pacific
11 Coast Holdings/Venture Fund.” PCH received the investor funds in a bank account opened and
12 controlled by BOBLETT.

13 16. The investors provided the investment funds but otherwise had no involvement in
14 the investment.

15 17. BOBLETT failed to provide the investor with any disclosures prior to investing.

16 **B. BEVERAGE COMPANY**

17 18. BOBLETT offered shares of stock in a beverage company by offering different
18 investors different types of securities with different terms.

19 19. BOBLETT offered at least one investor the opportunity to purchase shares of stock
20 in the beverage company. BOBLETT provided to at least one investor a business plan for the
21 beverage company. BOBLETT represented to at least one investor that he was an investment
22 banker raising funds for the beverage company.

23 20. BOBLETT offered shares of stock in a beverage company to at least one investor by
24 promising to return the original investment funds, plus the investor would be able to keep the
25 shares of stock. BOBLETT induced this investment by telling the investor that a shareholder
26

1 needed to liquidate the holdings in the beverage company. The investor received neither the return
2 of the funds nor the shares of stock.

3 21. BOBLETT offered to at least one investor a promised return of 25% within 30 to 60
4 days if the investor would allow BOBLETT to borrow funds in order for BOBLETT to purchase
5 shares of stock in the beverage company at a reduced price. BOBLETT failed to return the funds
6 as promised.

7 22. BOBLETT offered to at least one investor an opportunity to become part of an
8 investment group wherein BOBLETT would pool funds from those in the investment group to
9 purchase shares of stock in a beverage company. BOBLETT failed to purchase the shares of stock
10 in the beverage company.

11 23. BOBLETT offered at least one investor a promissory note in exchange for funds so
12 BOBLETT could invest in the beverage company by purchasing shares of stock. The promissory
13 note was for a term of one month at an interest rate of 8%. BOBLETT failed to return the funds as
14 promised.

15 24. BOBLETT instructed the investors to make the funds payable to "Pacific Coast
16 Holdings/SIP," "SIP/PCH," "Pacific Coast Holding/Sudden Impact Partners," and "Pacific Coast
17 Holding Company." PCH received the investor funds in bank accounts opened and controlled by
18 BOBLETT.

19 **C. FAME**

20 25. BOBLETT, on behalf of FAME, offered at least one investor an investment contract
21 that he called shares of stock in FAME even though FAME is a limited liability corporation.

22 26. BOBLETT offered at least one investor the opportunity to invest in FAME by
23 representing that FAME was affiliated with the beverage company and that FAME investors would
24 have more voting power in the beverage company if they invested with FAME. Additionally,
25 BOBLETT represented to at least one investor that the purchase price of FAME had doubled;
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1 however, BOBLETT offered investors an opportunity to purchase the shares of stock at the pre-
2 doubling price thereby offering an instant 100% return on investment.

3 27. BOBLETT and FAME failed to disclose that FAME is a limited liability company
4 controlled by BOBLETT and that FAME could not issue shares of stock.

5 28. BOBLETT and FAME misrepresented that FAME was associated with the beverage
6 company when there was no affiliation.

7 29. BOBLETT instructed the investors to make the funds payable to "Pacific Coast
8 Holding Company." PCH received the investor funds in bank accounts opened and controlled by
9 BOBLETT.

10 30. The investors provided the investment funds but otherwise had no involvement in
11 the investment.

12 **D. DIGITAL IMAGING INVESTMENT**

13 31. BOBLETT offered at least one investor an investment contract that BOBLETT
14 called shares of stock in a limited liability company that digitized film.

15 32. To induce the investment, BOBLETT represented this company developed a
16 revolutionary machine that would increase the speed at which film is digitized. The use of this
17 revolutionary machine would translate into increased profits for the company and an increased
18 value for each share of stock. Additionally, BOBLETT showed at least one investor a video of the
19 revolutionary machine.

20 33. BOBLETT instructed the investors to make the funds payable to "Pacific Coast
21 Holdings." PCH received the investor funds in bank accounts opened and controlled by
22 BOBLETT.

23 34. The investors provided the investment funds but otherwise had no involvement in
24 the investment.

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1 **E. GENERAL ALLEGATIONS**

2 35. A majority of the investors received unsigned subscription agreements (hereinafter
3 “investor documents”) in exchange for their investment funds indicating that they were purchasing
4 shares of stock.

5 36. BOBLETT failed to invest the investor funds as promised to the investors. The
6 investors neither received stock certificates nor are listed as shareholders in the companies.

7 37. RESPONDENTS expended investor funds for BOBLETT’S personal expenses
8 without authorization from investors. RESPONDENTS failed to disclose to potential investors that
9 investor funds will be expended for personal use.

10 38. RESPONDENTS failed to disclose to the investors risks associated with the
11 investments.

12 39. The investors asked BOBLETT for the return of their investment funds. In
13 response, BOBLETT signed an agreement with at least one investor agreeing to pay the promised
14 investment returns, orally agreed to return the investment monies, or offered to sign a mutual
15 release. BOBLETT failed to pay the investor as promised and did not return any of the investor
16 monies.

17 40. The majority of investors who invested with RESPONDENTS lost their entire
18 investment.

19 **IV.**

20 **VIOLATION OF A.R.S. § 44-1841**

21 **(Offer and Sale of Unregistered Securities)**

22 41. From on or about March 2006 to at least December 2007, Respondents offered or
23 sold securities in the form of investment contracts, shares of stock and promissory notes within or
24 from Arizona.

25 42. The securities referred to above are not registered pursuant to Articles 6 or 7 of the
26 Securities Act.

1 g) Misrepresenting to investors that they would make substantial profits by
2 investing in the alleged Investments.

3 47. This conduct violates A.R.S. § 44-1991.

4 **VII.**

5 **REQUESTED RELIEF**

6 The Division requests that the Commission grant the following relief:

7 1. Order Respondents to permanently cease and desist from violating the Securities Act
8 and, pursuant to A.R.S. § 44-2032;

9 2. Order Respondents to take affirmative action to correct the conditions resulting from
10 Respondents' acts, practices, or transactions, including a requirement to make restitution pursuant to
11 A.R.S. § 44-2032;

12 3. Order Respondents to pay the state of Arizona administrative penalties of up to five
13 thousand dollars (\$5,000) for each violation of the Securities Act, pursuant to A.R.S. § 44-2036;

14 4. Order that the marital communities of Respondents and Respondent Spouse be
15 subject to any order of restitution, rescission, administrative penalties, or other appropriate
16 affirmative action pursuant to A.R.S. § 25-215; and

17 5. Order any other relief that the Commission deems appropriate.

18 **XIII.**

19 **HEARING OPPORTUNITY**

20 Each Respondent, including Respondent Spouse may request a hearing pursuant to A.R.S.
21 § 44-1972 and A.A.C. R14-4-306. **If a Respondent or Respondent Spouse requests a hearing,**
22 **the requesting Respondent must also answer this Notice.** A request for hearing must be in
23 writing and received by the Commission within 10 business days after service of this Notice of
24 Opportunity for Hearing. The requesting Respondent must deliver or mail the request to Docket
25 Control, Arizona Corporation Commission, 1200 W. Washington, Phoenix, Arizona 85007. Filing
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1 instructions may be obtained from Docket Control by calling (602) 542-3477 or on the
2 Commission's Internet web site at <http://www.azcc.gov/divisions/hearings/docket.asp>.

3 If a request for a hearing is timely made, the Commission shall schedule the hearing to begin
4 20 to 60 days from the receipt of the request unless otherwise provided by law, stipulated by the
5 parties, or ordered by the Commission. If a request for a hearing is not timely made the Commission
6 may, without a hearing, enter an order granting the relief requested by the Division in this Notice of
7 Opportunity for Hearing.

8 Persons with a disability may request a reasonable accommodation such as a sign language
9 interpreter, as well as request this document in an alternative format, by contacting Linda Hogan,
10 ADA Coordinator, voice phone number 602/542-3931, e-mail lhogan@azcc.gov. Requests should
11 be made as early as possible to allow time to arrange the accommodation.

12 **XIV.**

13 **ANSWER REQUIREMENT**

14 Pursuant to A.A.C. R14-4-305, if a Respondent or a Respondent Spouse requests a hearing,
15 the requesting Respondent must deliver or mail an Answer to this Notice of Opportunity for
16 Hearing to Docket Control, Arizona Corporation Commission, 1200 W. Washington, Phoenix,
17 Arizona 85007, within 30 calendar days after the date of service of this Notice. Filing instructions
18 may be obtained from Docket Control by calling (602) 542-3477 or on the Commission's Internet
19 web site at <http://www.azcc.gov/divisions/hearings/docket.asp>.

20 Additionally, the answering Respondent must serve the Answer upon the Division.
21 Pursuant to A.A.C. R14-4-303, service upon the Division may be made by mailing or by hand-
22 delivering a copy of the Answer to the Division at 1300 West Washington, 3rd Floor, Phoenix,
23 Arizona, 85007, addressed to Aikaterine Vervilos.

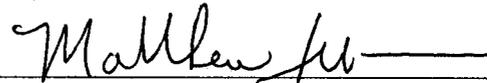
24 The Answer shall contain an admission or denial of each allegation in this Notice and the
25 original signature of the answering Respondent or Respondent's attorney. A statement of a lack of
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1 sufficient knowledge or information shall be considered a denial of an allegation. An allegation
2 not denied shall be considered admitted.

3 When the answering Respondent intends in good faith to deny only a part or a qualification
4 of an allegation, the Respondent shall specify that part or qualification of the allegation and shall
5 admit the remainder. Respondent waives any affirmative defense not raised in the answer.

6 The officer presiding over the hearing may grant relief from the requirement to file an
7 Answer for good cause shown.

8 Dated this 1 day of August 2008.

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11 Matthew J. Neubert
12 Director of Securities
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