

**STATE OF ALABAMA  
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF: )  
 )  
DOROTHY OF OZ, LLC. )  
BOX OFFICE PRODUCTIONS III, LLC )  
WALTER F. PRICE )  
 )  
RESPONDENTS )

**ADMINISTRATIVE ORDER  
NO. CD-2009-00<sup>34</sup>**

**CEASE AND DESIST ORDER**

The Alabama Securities Commission ("Commission"), having the authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities, into, within or from the state of Alabama, has determined as follows:

**RESPONDENTS**

1. DOROTHY OF OZ, LLC, (DOZ) is a California Limited Liability Company, with a business address of 3500 W. Magnolia Boulevard, Burbank, California 91505.
2. BOX OFFICE PRODUCTIONS III, LLC, (BOP) is a business name utilized by DOZ. BOP purports to be a California limited liability company with an address of 3500 W. Magnolia Boulevard, Burbank, California 91505. While Box Office Productions II, LLC, is located at 3500 W. Magnolia Boulevard, Burbank, California 91505, according to the California Secretary of State there are no Articles of Incorporation on file for BOX OFFICE PRODUCTIONS III, LLC.
3. WALTER F. PRICE (PRICE) purports to be an agent of DOZ d/b/a BOP with a business address of 3500 W. Magnolia Boulevard, Burbank, California 91505.

## STATEMENT OF FACTS

4. On August 2, 2006, a notice of exemption was filed with the United States Securities & Exchange Commission pursuant to Rule 506 of Regulation D, on behalf of DOZ d/b/a BOP. The notice was accepted and became effective that same date.

5. On or about April 20, 2009, a representative of BOP "cold called" a resident of the State of Alabama and engaged in the offer of securities, to wit: units (membership interest) in a film titled "DOROTHY OF OZ". "Cold calling", a form of "general solicitation", is the practice of making unsolicited calls to potential customers by agents of the issuer offering to sell securities.

6. On or about April 21, 2009, the Alabama resident received offering materials, which included a Subscription Agreement, from BOP via FedEx. PRICE's business card was included.

7. Subsequent to the Alabama resident's receipt of the offering materials, PRICE contacted the Alabama resident by telephone. During several subsequent telephone conversations, PRICE discussed and/or reviewed the Subscription Agreement with the Alabama resident and provided instructions on completing the forms therein.

8. On May 28, 2009, a review of the registration files maintained by the Alabama Securities Commission revealed that DOROTHY OF OZ, LLC dba BOX OFFICE PRODUCTIONS III, LLC filed a notice of exemption pursuant to Rule 506 of Regulation D with the Commission on April 20, 2007.

9. On May 28, 2009, a review of the registration files maintained by the Alabama Securities Commission revealed that PRICE is not registered with the Commission as an agent for securities.

## CONCLUSIONS OF LAW

10. Code of Alabama 1975, §8-6-2 (10), includes in the definition of a security any "units" and any "certificate of interest or participation in any profit-sharing agreement". The "units" and/or "membership interests" offered by RESPONDENTS to the Alabama resident are securities as defined by Code of Alabama, 1975, § 8-6-2 (10).

11. Code of Alabama 1975, §8-6-2(2) defines an agent as any individual other than a dealer who represents a dealer or issuer in effecting or attempting to effect sales of securities. Under this statutory definition, PRICE acted as an agent of BOP for the sale of securities by attempting to effect the sale of securities to an Alabama resident.

12. Code of Alabama 1975, §8-6-3(a), states that it is unlawful for any person to transact business in the State of Alabama as a dealer or agent for securities unless registered under the Act. PRICE offered securities for sale to an Alabama resident by cold calling the Alabama resident and offering "units" and/or "membership interests" for sale to the Alabama resident without benefit of registration as an agent in violation of Code of Alabama 1975, §8-6-3(a).

13. Code of Alabama 1975, §8-6-3(a), states that it is unlawful for any dealer or issuer to employ an agent unless the agent is registered. OZ employed PRICE, an unregistered agent, to transact business as an agent for securities by cold calling an Alabama resident and offering "units" and/or "membership interests" for sale to the Alabama resident in violation of Code of Alabama 1975, §8-6-3(a).

14. Code of Alabama 1975, §8-6-4 provides that it is unlawful for any person to offer or sell any security in this state unless it is registered under the Act, or exempt from registration under Code of Alabama 1975, §8-6-10, or the transaction is subject to an exemption under Code of Alabama 1975, §8-6-11. Cold calling an Alabama resident to offer or sell the security resulted in the loss of the exemption from Alabama

registration that had been claimed by OZ and BOP. PRICE, OZ and BOP offered for sale a security for which there was no available exemption pursuant to Rule 506 of Regulation D and which was not registered or exempt from registration under the Act in violation of Code of Alabama 1975, §8-6-4.

This Order does not prevent the Alabama Securities Commission from seeking such other civil or criminal remedies that are available to it under the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

Additionally, if the allegations set forth herein are found to be true, through either administrative adjudication, failure of the RESPONDENTS to make a timely request for hearing, or default of the RESPONDENTS, it is the intention of the Commission to impose sanctions upon the RESPONDENTS. Such sanctions may include, inter alia, an administrative assessment imposed on RESPONDENTS, an additional administrative assessment for investigative costs arising from the investigation of the violation(s) described herein against RESPONDENTS, and a permanent order to bar RESPONDENTS from participation in any securities related industry in the state of Alabama.

**ACCORDINGLY, IT IS HEREBY ORDERED** that RESPONDENTS immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 26th day of October, 2009.

ALABAMA SECURITIES COMMISSION  
P.O. Box 304700  
Montgomery, AL 36130-4700  
(334) 242-2984

BY:

  
JOSEPH P. BORG  
Director

