

**ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF MARYLAND**

IN THE MATTER OF: *

TAG Entertainment USA, Inc. *

(f/k/a TAG Entertainment, Inc.), and *

Austin Family Entertainment, Inc., and *

Steve Austin Productions, LLC, and *

Motocross Kids Limited Partnership, *

and *

Fairy Tale Partners II Limited *

Partnership, and *

Fairy Tale Partners III Limited *

Partnership, and *

American Black Beauty Limited *

Partnership, and *

Animal Partners Limited Partnership, *

and *

TAG Studios I, LLC, and *

Supercross The Movie Limited *

Partnership, and *

Steve Austin, individually and in his *

capacities with the other Respondents, *

Respondents. *

FILE NO. 2004-0323

* * * * *

**FINAL ORDER TO CEASE AND DESIST
AND ORDER OF BAR**

WHEREAS, the Division of Securities of the Office of the Maryland Attorney General (the "Division"), pursuant to the authority granted by the Maryland Securities Act, Corporations and Associations Article, section 11-701, Annotated Code of Maryland (2007 Cum. Supp.) (the "Act"), instituted an investigation of apparent violations of the Act by Steve Austin ("Austin"), and ten companies under the control of Austin, as listed in the caption of this Final Order to Cease and Desist and Order of Bar (together with Austin, the "Respondents"); and

WHEREAS, on the basis of that investigation, the Maryland Securities Commissioner (the "Commissioner") has concluded that the Respondents have violated the securities and selling person registration requirements of the Act, and further determined that action against the Respondents is in the public interest; and

WHEREAS, pursuant to section 11-701.1(a) of the Act, the Commissioner issued on July 13, 2007, an Order To Show Cause (the "Order to SC"), incorporated herein by reference, requiring Respondents to show cause why: each Respondent should not be barred permanently from engaging in the securities and investment advisory business in Maryland; why a monetary penalty should not be entered against each Respondent; and why a final order should not be entered ordering each of the Respondents to cease and desist from further violations of the Act; and

WHEREAS, the Order to SC gave Respondents notice of the opportunity for a hearing in this matter, provided that Respondents submitted an answer within 15 days of service of the Order to SC, including any request for a hearing, and gave notice to Respondents that failure to do so would be deemed a waiver of the right to a hearing and result in the entry of a final order; and

WHEREAS, a copy of the Order to SC was served upon Respondents and upon the Commissioner in accordance with section 11-802 of the Act; and

WHEREAS, as to each Respondent, process was returned marked "unclaimed" or "unable to forward" in connection with Respondents' last known addresses, and none of the Respondents has submitted an answer to the Order to SC, nor a written request for a hearing.

NOW, THEREFORE, THE COMMISSIONER FINDS AND ORDERS:

I. JURISDICTION

1. The Commissioner has jurisdiction in this proceeding pursuant to section 11-701.1 of the Act.

II. RESPONDENTS

2. TAG Entertainment USA, Inc. (f/k/a TAG Entertainment, Inc.) (“TAG”), has a principal operating address at 9916 South Santa Monica Boulevard, Beverly Hills, CA 90212.

3. Austin Family Entertainment, Inc. (“AFE”), has principal operating addresses at 15250 Ventura Boulevard, Suite 524, Sherman Oaks, California 91403, and 9916 S. Santa Monica Boulevard, 1st Floor, Beverly Hills, California 90212.

4. Steve Austin Productions, LLC (“SAP”), is a limited liability company, with a principal operating address at 15233 Ventura Boulevard, Suite 708, Sherman Oaks, California 91403.

5. Steve Austin, an agent of TAG, AFE, SAP, and each of the Issuers, has an address in Santa Monica, California.

6. None of TAG, AFE, or SAP is, or has ever been, registered in Maryland as a broker-dealer.

7. Austin is not, and has never been, registered in Maryland as either a broker-dealer or an issuer agent.

8. Each of Motocross Kids Limited Partnership, Fairy Tale Partners III Limited Partnership, Fairy Tale Partners II Limited Partnership, American Black Beauty Limited Partnership, Animal Partners Limited Partnership, TAG Studios LLC, Supercross The Movie LP (together, the “Issuers”), are entities created and controlled, directly or indirectly, by Austin, TAG, AFE, and/or SAP, with addresses located in Sherman Oaks and Burbank, California.

9. TAG Entertainment USA, Inc., is the successor in interest following a merger with TAG Entertainment, Inc.

III. FINDINGS OF FACTS

On information and belief, the Commissioner alleges the following as the basis for this Final Order To Cease And Desist and Order of Bar (“Final Order”).

10. Austin was an executive officer, director, and controlling shareholder of TAG, AFE, and SAP, at all times relevant to this matter.

11. AFE and SAP were general partners of the Issuers at all times relevant to this matter.

12. Austin, as president of AFE, and as managing member of SAP, solicited potential investors in Maryland for each of the Issuers.

13. TAG was a promoter for each of the Issuers and assisted in contacting the potential investors for the securities offerings of each Issuers.

14. Austin, AFE, SAP, and TAG offered and sold to residents of Maryland an aggregate of:

- a. \$75,000 in limited partnership interests of American Black Beauty Limited Partnership to two Maryland residents;
- b. \$68,750 in limited partnership interests of Motocross Kids Limited Partnership to four Maryland residents;
- c. \$200,000 in limited partnership interests of Animal Partners Limited Partnership to one Maryland investor;
- d. \$37,500 in limited partnership interests in Fairy Tale Partners II Limited Partnership to two Maryland investors;
- e. \$50,000 in limited partnership interests in Fairy Tale Partners III Limited Partnership to two Maryland investors;
- f. \$25,000 in limited liability company interests of TAG Studios I, LLC, to one Maryland investor; and
- g. \$162,500 in limited partnership interests in Supercross The Movie Limited Partnership to seven Maryland investors.

15. Following the initiation of the Division's investigation, Respondents submitted notices on Form D in connection with the offering of limited partnership interests of American Black Beauty Limited Partnership (MD File No. EX20041685), Fairy Tale Partners III Limited Partnership (MD File No. EX20041686), and Motocross Kids Limited Partnership (MD File No. EX20041687). The notices identified SEC Rule 506 as the basis for the claim for an exemption or preemption.

16. Respondents did not have an existing personal or business relationship with the investors in Maryland prior to contacting them regarding the offering of interests in

the Issuers. Respondents used investor lists purchased from unaffiliated companies to contact potential investors in Maryland.

IV. CONCLUSIONS OF LAW

The Commissioner concludes that:

17. The limited partnership interests and limited liability company member interests in the Issuers offered and sold by Respondents constitute “securities” pursuant to section 11-101(r) of the Act.

18. Respondents offered and sold securities in violation of section 11-501 of the Act.

19. Austin, TAG, AFE, SAP, and each of the Issuers, in violation of sections 11-402 and 11-401 of the Act, as applicable, offered and sold securities in Maryland without Austin being registered as a broker-dealer or agent, and without TAG, AFE, and SAP being lawfully registered as broker-dealers.

V. SANCTIONS

NOW, THEREFORE, the Commissioner finds it to be in the public interest to issue this Final Order, and IT IS HEREBY ORDERED THAT:

20. Respondents each permanently cease and desist from engaging in the offer and sale of unregistered, non-exempt securities in violation of section 11-501 of the Act.

21. Austin permanently cease and desist from acting as an unregistered agent or broker-dealer in Maryland in violation of section 11-401 of the Act.

22. TAG, AFE, and SAP permanently cease and desist from acting as unregistered broker-dealers in Maryland in violation of section 11-401 of the Act.

23. TAG, AFE, and SAP permanently cease and desist from employing unregistered agents for the offer and sale of securities in violation of section 11-402 of the Act.

24. Each of the Issuers permanently cease and desist from employing unregistered broker-dealers and unregistered agents for the offer and sale of securities in violation of section 11-402 of the Act.

25. Respondents are permanently barred from engaging in the securities and investment advisory businesses in Maryland for or on behalf of others, or from acting as a principal or consultant in any entity so engaged, or from acting as broker-dealers, broker-dealer agents, issuer-agents, or investment advisers.

26. Respondents are assessed, jointly and severally, a civil monetary penalty, pursuant to section 11-702 of the Act, in the amount of \$380,000 (\$5,000 for each of 19 violations of section 11-501 of the Act, 19 violations of section 11-401 of the Act by the Respondent communicating with the potential Maryland investor, 19 violations of section 11-402 of the Act by the issuers engaging an unregistered selling person, and 19 violations of the unregistered broker-dealers engaging an unregistered agent), payable by certified check to the order of the Office of the Attorney General.

VI. JURISDICTION RETAINED

27. Jurisdiction is retained by the Commissioner for the purposes of enabling any party to this Final Order to apply for such further orders and directions as may be necessary or appropriate for the construction or enforcement of this Final Order.

VII. APPEAL RIGHTS

28. Any Respondent may appeal this Final Order to the appropriate Circuit Court of the State of Maryland within 30 days from the date this Final Order is mailed by the Division.

SO ORDERED:

October 16, 2007

_____/S/_____
MELANIE SENTER LUBIN
Securities Commissioner

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