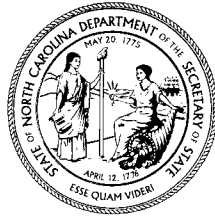


STATE OF NORTH CAROLINA



Department of The
Secretary of State

THE NORTH CAROLINA SECURITIES DIVISION,

Petitioner,

vs.

SCOTT BRADLEY HOLLENBECK, and

ANY AND ALL PERSONS IN ACTIVE
CONCERT AND PARTICIPATION WITH
SCOTT BRADLEY HOLLENBECK,

Respondents.

TEMPORARY ORDER

TO

CEASE AND DESIST

FILE NO. 03-021-CC

Pursuant to the authority granted by Chapter 78A of the North Carolina General Statutes (the North Carolina Securities Act), hereinafter referred to as the "Securities Act," and the rules promulgated thereunder, the Securities Division of the Department of the Secretary of State, hereinafter referred to as the "Division," has investigated the activities of **SCOTT BRADLEY HOLLENBECK**, (hereinafter, "Hollenbeck"), to determine if he has engaged in, or is about to engage in, any act or practice constituting a violation of the Securities Act or any rule or order thereunder.

THE DIVISION has filed an Administrative Petition against the above-named Respondent seeking, among other remedies, a Temporary Cease and Desist Order pursuant to the provisions of N.C.G.S. §78A-47(b)(2).

THE SECRETARY OF STATE, acting by and through her duly authorized Deputy Securities Administrator, from the investigation and the information derived therefrom, and for the protection and preservation of the public welfare and in the public interest, makes the following:

FINDINGS OF FACT

1. Respondent **SCOTT BRADLEY HOLLENBECK** (hereinafter "**HOLLENBECK**") is, upon information and belief, a natural person who resides at 1524 Chimney Rock Drive, Kernersville, North Carolina, 27284 and maintains offices at 1202-C East Mountain Street, Kernersville, North Carolina, 27284.
2. On February 18, 2002, Respondent Hollenbeck offered and sold an "investment opportunity" in the form of a sale-and-leaseback program to members of the public in North Carolina whereby investors could allegedly earn a fixed 13.49% rate of return by purchasing equipment from Mobile Billboards of America, Inc. (hereinafter "MBA") and simultaneously leasing the purchased equipment to management/lease companies related to MBA.
3. The offer and sale of the sale-and-leaseback program to persons in North Carolina under the circumstances described in Paragraph 2, above, constitutes the "offer" of and "sale" of a "security" as those terms are defined in N.C.G.S. §§78A-2(8) and 78A-2(11) respectively.
4. The security offered and sold by the Respondent to persons in North Carolina was not registered with the Securities Division of the Department of the Secretary of State under the provisions of the Securities Act prior to or at the time of being offered or sold to persons in North Carolina and was not exempt from registration nor covered under federal law, in violation of N.C.G.S. §78A-24.
5. At the time of effecting securities transactions on February 18, 2002 (as described in Paragraph 2, above), Respondent Hollenbeck was registered as a salesman with a dealer registered under the Securities Act, however the security transactions effected were not recorded on the regular books or records of the dealer and the transactions were not disclosed nor authorized in writing by the dealer prior to execution of the transactions.
6. Due to a review of representative activity by the dealer with whom Respondent Hollenbeck was registered at the time of the securities transactions (as described in Paragraph 2, above), the dealer discharged Hollenbeck on May 17, 2002 and concluded that Hollenbeck effected security transactions with customers not recorded on the regular books or records of the dealer and the transactions were not disclosed nor authorized in writing by the dealer prior to execution of the transactions, in violation of firm policy.
7. Respondent Hollenbeck is not currently registered as a salesman or dealer pursuant to the Securities Act.

8. In connection with the offer and sale of the aforesaid security to persons in North Carolina, the Respondent omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, in violation of N.C.G.S. §78A-8(2), in that the Respondent omitted to state to offerees that the security being offered was not registered pursuant to the provisions of the Securities Act, in violation of N.C.G.S. §78A-24.

9. It is in the public interest of the citizens of North Carolina that Respondent be prohibited from violating the provisions of the Securities Act in connection with selling or making offers to sell securities, buying or soliciting offers to buy securities, and transacting business as a dealer or salesman.

CONCLUSIONS OF LAW

1. The Secretary of State has statutory authority pursuant to N.C.G.S. §78A-47(b)(2) to enter and issue a Temporary Cease and Desist Order against the Respondent.

2. There is reasonable cause to believe the Respondent has engaged in violations of the Securities Act, specifically N.C.G.S. §§78A-8, and 78A-24.

3. There is reasonable cause to believe the Respondent will continue to commit acts and omissions in violation of the Securities Act.

4. It is necessary and appropriate for the protection and preservation of the public interest or for the protection of investors that the Respondent be temporarily ordered to cease and desist from making offers and sales of securities in violation of the Securities Act and, in connection with such solicitations, omitting to state material facts necessary to make other statements made, in light of the circumstances under which they were made, not misleading.

5. The public interest would be irreparably harmed by the delay inherent in issuing an order under the provisions of N.C.G.S. §78A-47(b)(1).

NOW, THEREFORE, IT IS ORDERED, pursuant to the authority contained in N.C.G.S. §78A-47(b)(2), that Respondent, **SCOTT BRADLEY HOLLENBECK** and **ANY AND ALL PERSONS IN ACTIVE CONCERT AND PARTICIPATION WITH SCOTT BRADLEY HOLLENBECK**, shall immediately cease and desist:

a. offering for sale, soliciting offers to purchase, or selling, in or from North Carolina, the securities of Mobile Billboards of America, Inc. in the form of a “sale-and-leaseback program” and any security of any issuer, howsoever denominated, unless and until such securities have been registered pursuant to the provisions of the Securities Act;

b. offering for sale, soliciting offers to purchase, or selling, in or from North Carolina, the securities of Mobile Billboards of America, Inc. in the form of a “sale-and-leaseback program” and any security of any issuer, howsoever denominated, unless and until said persons become registered as dealers or salesmen pursuant to the provisions of the Securities Act;

c. in connection with the offer, sale or purchase of any security, omitting to state material facts necessary in order to make statements made, in light of the circumstances under which such statements were made, not misleading.

NOTICE IS HEREBY GIVEN that the Respondents may request a hearing upon this matter by transmitting such request, in writing and within thirty (30) business days of receipt of this document, to David S. Massey, Deputy Securities Administrator, Securities Division, Department of the Secretary of State, Post Office Box 29622, Raleigh, North Carolina 27626-0622. A copy of any such request shall be served by first-class mail upon Allan C. J. Russ, Enforcement Attorney, Securities Division, Department of the Secretary of State, Post Office Box 29622, Raleigh, North Carolina 27626-0622. If such a request is made, this matter shall be scheduled for a hearing in accordance with Chapter 150B of the North Carolina General Statutes within twenty (20) days after receipt by the Deputy Securities Administrator of the written request. If no request for a hearing, other responsive hearing, or submission is received by the Deputy Securities Administrator within thirty (30) business days of the receipt of service hereof, this Temporary Order to Cease and Desist shall become final and remain in effect unless it is modified or vacated by the Secretary of State in her capacity as Administrator of the North Carolina Securities Act.

WITNESS MY HAND AND THE OFFICIAL SEAL of the North Carolina Department of the Secretary of State, this the 26th day of April 2004.

Time of entry: 4:56 P.M.



ELAINE F. MARSHALL
SECRETARY OF STATE OF NORTH CAROLINA and
SECURITIES ADMINISTRATOR,

by: /S/ (David S. Massey)
DAVID S. MASSEY
DEPUTY SECURITIES ADMINISTRATOR