BEFORE THE
DIVISION OF SECURITIES
DEPARTMENT OF FINANCIAL INSTITUTIONS
STATE OF WISCONSIN

In the Matter of
YES ENTERTAINMENT NETWORK, INC.,
YES ENTERTAINMENT, LLC, MARKETLINE,
RONALD T. MULHALL, EUGENE M. CARRIERE,
RONALD PLOMGREN, ALAN B. BAIOCCHI,
DONALD G. RYAN, DANNY BROOKS,

Respondents.

PETITION FOR ORDER

File No. S-99067(EX)

The staff of the Enforcement Unit, Registration & Enforcement Section, of the Division of Securities, Department of Financial Institutions, State of Wisconsin has conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats. and as a result thereof alleges as follows:

1. Yes Entertainment Network, Inc. ("Yes Inc.") is a foreign business entity with a last known business address of 1800 Century Pk East #600, Los Angeles CA 90067.

2. Yes Entertainment LLC ("Yes LLC") is a foreign business entity with a last known business address at that of Yes, Inc.

3. Marketline ("Marketline") is a foreign business entity with a last known business address of 30 Executive Park, Irvine, CA 92614.

4. Ronald T. Mulhall ("Mulhall") is an individual who at all times material hereto has been CEO of Yes Inc and Yes LLC, with a last known business address at that of Yes Inc.

5. Eugene M. Carriere ("Carriere") is an individual who at all times material hereto has been a controlling person of Yes Inc and Yes LLC, with a last known business address at that of Yes Inc.

6. Ronald Plomgren ("Plomgren") is an individual who at all times material hereto has been CFO of Yes Inc, with a last known business address at that of Yes Inc.

7. Alan B. Baiocchi (CRD #1016120; DOB 10/6/53) ("Baiocchi") is an individual who at all times material hereto has been sales manager of Marketline, with a last known business address at that of Marketline.

8. Donald G. Ryan (CRD #2848354; DOB 1/9/65) ("Ryan") is an individual who at all times material hereto has been an agent of Yes Inc., Yes LLC, Marketline, Mulhall, Carrier, and Plomgren, with a last known business address at that of Marketline.

9. Danny Brooks ("Brooks") is an individual who at all times material hereto has been an agent of Yes Inc., Yes LLC, Marketline, Mulhall, Carrier, Plomgren, and Baiocchi with a last known business address at that of Marketline.

10. During the period of March 1999, Ryan, on behalf of Yes Inc., Yes LLC, Marketline, Mulhall, Carrier, and Plomgren, offered to at least one person in Wisconsin membership interests in Yes LLC.

11. During the period of May 1999, Brooks, on behalf of Yes Inc., Yes LLC, Marketline, Mulhall, Carrier, Plomgren, and Baiocchi, offered to at least one person in Wisconsin membership interests of Yes LLC .

12. The "membership interests" offered by the respondents are securities as defined by sec. 551.02(13), Wis. Stats., and have never been registered for offer and sale in Wisconsin pursuant to Ch. 551, Wis. Stats.

13. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.

14. In connection with the offers of the securities described above, Marketline transacted business in Wisconsin as a "broker-dealer," as that term is defined by sec. 551.02(3), Wis. Stats.

15. At no time has Marketline been licensed as a securities broker-dealer pursuant to Ch. 551, Wis. Stats.

16. Respondent Marketline has violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as a broker-dealer without a license.

17. In connection with the offers of the securities described above, Ryan transacted business in Wisconsin as an "agent" for Yes Inc., Yes LLC, Marketline, Mulhall, Carrier, and Plomgren, as that term is defined by sec. 551.02(2), Wis. Stats.

18. In connection with the offers of the securities described above, Brooks transacted business in Wisconsin as an "agent" for Yes Inc., Yes LLC, Marketline, Mulhall, Carrier, Plomgren, and Baiocchi as that term is defined by sec. 551.02(2), Wis. Stats.

19. At no time have Ryan and Brooks been licensed as securities agents pursuant to Ch. 551, Wis. Stats.

20. Ryan and Brooks have violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as securities agents without a license.

21. Yes Inc., Yes LLC, Marketline, Mulhall, Carrier, Plomgren, and Baiocchi have violated sec. 551.31(2), Wis. Stats., by employing unlicensed agents to represent them in Wisconsin.

22. On May 26, 1998, the State of Washington issued a Cease and Desist Order against Baiocchi and Ryan, based on allegations of securities law violations.

23. In connection with the offer of the securities described in Paragraphs 10 and 11, the Respondents omitted to disclose the issuance of the orders referred to in Paragraph 22.

24. All Respondents have violated sec. 551.41(2), Wis. Stats., by omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, in connection with the offer and sale of securities to persons in Wisconsin.

25. The offering documents of Yes Inc state that Mulhall is a “successful lawyer” when, in fact, he has been disbarred by the State Bar of California for theft of client funds.

26. All Respondents have violated sec. 551.41(2), Wis. Stats., by making an untrue statement of a material fact in connection with the offer of securities to persons in Wisconsin.

27. On October 28, 1999, the United States District Court for the Central District of California ordered Yes LLC, Yes, Inc., Yes Entertainment Network, LLC, Mulhall and Carriere to "immediately cease their fraudulent activities and placed a freeze on their assets for 10 days pending a hearing to determine the full extent of their fraudulent conduct," after a Complaint was filed by the U.S. Securities and Exchange Commission in Civil Action No. 99-11280 (SEC Litigation Release No. 16345/October 29, 1999).

Therefore, the staff of the Enforcement Unit petitions the Administrator of the Division of Securities for the issuance of the attached Order pursuant to Ch. 551, Wis. Stats.

Mark E. Dorman 12-16-99

Mark E. Dorman — Date
Examiner
Enforcement Unit

12/16/99

David A. Cohen — Date
Supervising Attorney
Enforcement Unit