

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

In the Matter of
ZUBAN PRODUCTIONS, INC., FILM THREE,
LP, FILM 3, RUBEN PREUSS, MARK ROBERT
LANE, BILL EVANS, and BRUCE ROBINSON,

PETITION FOR ORDER

Respondents.

File No. S-98239(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. Zuban Productions, Inc. ("Zuban") is a foreign business entity with a last known business address of 19528 Ventura Blvd., Ste 395, Tarzana, CA 91356-2917.
2. Film Three, LP is a foreign business entity with a last known business address at that of Zuban.
3. Film 3 is a foreign business entity with a last known business address of 22048 Sherman Way, Canoga Park, CA 91303.
4. Ruben Preuss ("Preuss") is an individual who at all times material hereto has been an owner and controlling person of Zuban and Film Three, LP, with a last known business address at that of Zuban.
5. Mark Robert Lane ("Lane") (DOB 3/28/62; CRD 2351144) is an individual who at all times material hereto has been an owner and controlling person of Zuban and Film Three, LP, with a last known business address at that of Zuban.
6. Bill Evans ("Evans") is an individual who at all times material hereto has been an agent of Zuban, Film Three, LP, Film 3, Preuss and Lane, with a last known business address at that of Film 3.
7. Bruce Robinson ("Robinson") is an individual who at all times material hereto has been an agent of Zuban, Film Three, LP, Film 3, Preuss and Lane, with a last known business address at that of Film 3.
8. During the period of October and November, 1998, Evans and Robinson, on behalf of Zuban, Film Three, LP, Film 3, Preuss and Lane, offered to at least one person in Wisconsin limited partnership interests in Film Three, LP.
9. The limited partnership interests in Film Three, LP 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.
10. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.

11. In connection with the offers of the securities described above, Film 3 transacted business in Wisconsin as a "broker-dealer," as that term is defined by sec. 551.02(3), Wis. Stats.
12. At no time has Film 3 been licensed as a securities broker-dealer pursuant to Ch. 551, Wis. Stats.
13. Respondent Film 3 has violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as a broker-dealer without a license.
14. In connection with the offers of the securities described above, Evans and Robinson transacted business in Wisconsin as an "agent" for Zuban, Film Three, LP, Film 3, Preuss and Lane, as that term is defined by sec. 551.02(2), Wis. Stats.
15. At no time have Evans and Robinson been licensed as securities agents pursuant to Ch. 551, Wis. Stats.
16. Evans and Robinson have violated sec. 551.31(1), Wis. Stats., by transacting business in Wisconsin as securities agents without a license.
17. Zuban, Film Three, LP, Film 3, Preuss and Lane have violated sec. 551.31(2), Wis. Stats., by employing an unlicensed agent to represent them in Wisconsin.
18. The offering materials of Film Three, LP received by persons in Wisconsin state, "We are IRA approved."
19. Since the United States Internal Revenue Service does not endorse specific tax deals, the statement referred to in Paragraph 18 is an untrue statement of a material fact.
20. All Respondents have violated sec. 551.41(2), Wis. Stats., by making an untrue statement of a material fact in connection with the offer and sale of securities to persons in Wisconsin.

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 5-7-99
 Mark E. Dorman Date
 Examiner
 Enforcement Unit

David A. Cohen 5/6/99
 David A. Cohen Date
 Supervising Attorney
 Enforcement Unit