

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

In the Matter of
SPELLBINDER FUNDING LLC,
DENNIS C. HEALEY, and RON CARTER,

PETITION FOR ORDER

Respondents.

File No. S-03266(EX)

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

1. Spellbinder Funding LLC ("SFLLC") is a foreign business entity with a last known business address of 2995 S. Jones Blvd., #C, Las Vegas, NV 89146.
2. Dennis C. Healey (DOB approximately 1960) ("Healey") is an individual who at all times material hereto has been the manager and controlling person of SFLLC, with last known business addresses at that of SFLLC and at that of 5353 W. Desert Inn Rd., #2154 Las Vegas, NV 89146, and a last known residence address of 608 Avenida Magdalena, Camarillo, CA 93010-5944.
3. Ron Carter ("Carter") is an individual who at all times material hereto has been an agent of SFLLC and Healey, with a purported last known business address of 5077 Lankershim Blvd., Ste. 500, North Hollywood, CA 91601.
4. During the period of December 2003, Carter, on behalf of SFLLC, offered to at least one person in Wisconsin units of limited liability interests in SFLLC.
5. The person in Wisconsin referred to above had no pre-existing relationship with any of the Respondents.
6. The units of limited liability interests in SFLLC offered by the respondents are investment contracts as defined by section DFI-Sec. 1.02(6)(a), Wis. Adm. Code, and are therefore securities as defined by sec. 551.02(13), Wis. Stats.
7. The subscription agreement and power of attorney received by the Wisconsin offeree indicates that the offer of the limited liability interests in SFLLC is a transaction exempt from registration pursuant to the provisions of Regulation D promulgated pursuant to Section 4(2) of the Securities Act of 1933, as amended by adoption of the National Securities Markets Improvement Act of 1996 ("section 4(2)").
8. Upon information and belief, the Wisconsin offeree was cold-called by a person with whom they had no pre-existing relationship, in violation of section 4(2)'s ban on general solicitation.
9. All Respondents have violated sec. 551.21(1), Wis. Stats., by offering unregistered securities in Wisconsin.
10. In connection with the offer of the securities described above, Carter transacted business in Wisconsin as an "agent" for SFLLC and Healey, as that term is defined by sec. 551.02(2), Wis. Stats.

