STATE OF NORTH CAROLINA

Department of The Secretary of State

In The Matter Of: **THE NORTH CAROLINA SECURITIES DIVISION,** Petitioner, **vs.** **JOEL TEAGUE,** 200 South Elm Street Greensboro, NC 27401, Respondent.	**FINAL ORDER TO CEASE AND DESIST** **FILE NO. 04-028-IG**

WHEREAS, Respondent Joel Teague (herein "Teague") maintains an address at 200 South Elm Street, Greensboro, NC, 27401, and is an agent of Mobile Billboards of America, Inc.; and

WHEREAS, Mobile Billboards of America, Inc. (herein, "MBA") is a Delaware corporation that maintained offices at 8535 Tanglewood Square, #105, Chagrin Falls, Ohio, 44023 and/or at 11520 St. Charles Rock Road, Suite 212, Bridgeton, MO, 63044; and

WHEREAS, the Secretary of State of the State of North Carolina (the "Secretary of State"), as Administrator of the North Carolina Securities Act (North Carolina General Statutes, Chapter 78A), the Securities Division of the Department of the Secretary of State (the "Securities Division"), and counsel for the Respondent have negotiated this Final Order to Cease and Desist; and

WHEREAS, the Respondent elects to permanently waive any right to judicial review or a hearing and appeal under Chapter 78A (the North Carolina Securities Act) or Chapter 150B of the North Carolina General Statutes (the Administrative Procedure Act) with respect to this Final Order to Cease and Desist;

NOW, THEREFORE, the Securities Administrator, acting through her duly appointed Deputy Securities Administrator, pursuant to and under all authority granted by the North Carolina Securities Act, and with the consent of the Respondent, does hereby issue this Final Order to Cease and Desist in settlement of the above-captioned matter.

I. JURISDICTION AND CONSENT

Respondent admits the jurisdiction of the Securities Division, neither admits nor denies the Findings of Fact and Conclusions of Law contained in this Final Order to Cease and Desist, and agrees to the issuance of this Final Order to Cease and Desist by the Deputy Securities Administrator.

II. FINDINGS OF FACT

1. Respondent Teague maintains an address at 200 South Elm Street, Greensboro, NC, 27401, and is an agent of MBA.

2. Mobile Billboards of America, Inc. is a Delaware corporation that maintains offices at 8535 Tanglewood Square, #105, Chagrin Falls, Ohio, 44023 and/or at 11520 St. Charles Rock Road, Suite 212, Bridgeton, MO, 63044. MBA and its affiliates are engaged in the business of

selling a sale-and-leaseback program involving the offering, selling, managing and leasing of mobile billboard equipment, in the form of "flex frames."

3. Commencing on May 29, 2002 and continuing through June 29, 2003, Respondent offered and sold to members of the public in North Carolina contracts in a sale-and-leaseback program whereby investors could allegedly earn a fixed 13.49% rate of return (or similar high rate of return) by purchasing equipment from MBA and simultaneously leasing the purchased equipment to management and leasing companies that are related to MBA.

4. The offer and sale of the sale-and-leaseback program to persons in North Carolina under the circumstances described in Paragraph 3, 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.

5. By offering and selling the securities, as described herein, to the public in North Carolina, Respondent was transacting business and acting as a "dealer" or "salesman" within the meaning of N.C.G.S. §§ 78A-2(2) and 78A-2(9).

6. The MBA securities, as offered and sold to members of the public of North Carolina by Respondent, were not registered with the Securities Division of the Department of the Secretary of State under the provisions of the North Carolina Securities Act prior to being offered and sold in North Carolina, as required by N.C.G.S §78A-24.

7. At all times complained of herein, Respondent was not registered as a dealer or salesman of securities, as required by N.C.G.S §78A-36.

8. On April 20, 2001, MBA filed documents with the Department of the Secretary of State pursuant to N.C.G.S. §66, Article 19, the North Carolina Business Opportunity Sales Act. Thereafter, on June 25, 2001, November 19, 2001; January 2, 2002; July 2, 2002; July 22, 2002; and July 16, 2003; MBA continued to file documents with the Department of the Secretary of State pursuant to N.C.G.S. §66, Article 19, the North Carolina Business Opportunity Act.

9. On September 15, 2004, the Secretary of State issued a Temporary Order to Cease and Desist against the Respondent, ordering the Respondent to cease and desist from violating the provisions of the North Carolina 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.

10. It is in the public interest of the citizens of North Carolina that Respondent be permanently prohibited from violating the provisions of the North Carolina 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.

III. 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 permanent and Final Order to Cease and Desist against the Respondent.

2. There is reasonable cause to believe the Respondent has engaged in violations of the North Carolina Securities Act, specifically N.C.G.S. §§78A-24 and 78A-36.

3. There is reasonable cause to believe the Respondent will continue to commit acts and omissions in violation of the North Carolina 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 permanently ordered to cease and desist from making offers and sales of securities in violation of the North Carolina Securities Act.

NOW, THEREFORE, IT IS ORDERED, pursuant to the authority contained in N.C.G.S. §78A-47(b)(2), that Respondent, **JOEL TEAGUE**, shall permanently 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 North Carolina Securities Act; and

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 Respondent becomes registered as a dealer or salesman pursuant to the provisions 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 11th day of October 2005.

Time of entry: 10:14 A M.

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

by:
DAVID S. MASSEY
DEPUTY SECURITIES ADMINISTRATOR

CONSENT TO ENTRY OF FINAL ORDER BY JOEL TEAGUE

1. **JOEL TEAGUE** hereby acknowledges that he has been served with a copy of this Order, has read the foregoing Order, is aware of his right to a hearing and appeal in this matter, and has waived this right.

2. **JOEL TEAGUE** admits the jurisdiction of the Securities Division, neither admits nor denies the Findings of Fact and Conclusions of Law contained in this Order; and consents to entry of this Final Order by the Secretary of State.

3. **JOEL TEAGUE** states that no promise of any kind or nature whatsoever was made to him to induce him to enter into this Order and that he has entered into this Order voluntarily.

4. **JOEL TEAGUE** understands that the State of North Carolina may make such public announcement concerning this agreement and the subject matter thereof as the State of North Carolina may deem appropriate.

Dated this 30th day of Sept, 2005.

By: _____
JOEL TEAGUE

SUBSCRIBED AND SWORN TO before me this 30th day of Sept, 2005.

_____
Notary Public

My Commission expires: 12-11-2008

JUANITA MEAD KASIAH
NOTARY PUBLIC
My Comm. Expires Dec. 11, 2008
GUILFORD COUNTY, NC