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**STATE OF CALIFORNIA**  
**BUSINESS, TRANSPORTATION AND HOUSING AGENCY**  
**DEPARTMENT OF CORPORATIONS**

**TO:** Advanced Active Care, Inc.  
Advanced Active Health Care Group of Dallas, Limited Partnership  
Advanced Imaging, Inc.  
Advanced Imaging-Fort Worth Limited Partnership  
Randy Morton  
2560 E. Chapman Ave., Suite 157  
Orange, California 92869  
or  
1070 F North Batavia, Suite 608  
Orange, California 92867

**DESIST AND REFRAIN ORDER**  
**(For violations of sections 25110 and 25401 of the Corporations Code)**

The California Corporations Commissioner finds that:

1. At all relevant times herein, Advanced Active Care, Inc. was a California corporation located at 2560 E. Chapman Ave., Suite 157, Orange, California 92869. Advanced Active Care, Inc. also conducted business at 1070 F North Batavia, Suite 608, Orange, California 92869.
2. At all relevant times herein, Advanced Active Health Care Group of Dallas, Limited Partnership was a Nevada limited partnership located at 2560 E. Chapman Ave., Suite 157, Orange, California 92869. Advanced Active Health Care Group of Dallas, Limited Partnership also conducted business at 1070 F North Batavia, Suite 608, Orange, California 92869.
3. At all relevant times herein, Advanced Active Care, Inc. was the general partner of Advanced Active Health Care Group of Dallas, Limited Partnership and as general partner, managed and controlled Advanced Active Health Care Group of Dallas, Limited Partnership.
4. At all relevant times herein, Advanced Imaging, Inc. was a Nevada corporation located at 1070 F North Batavia, Suite 608, Orange, California 92869.
5. At all relevant times herein, Advanced Imaging-Fort Worth Limited Partnership was a Nevada limited partnership located at 1070 F North Batavia, Suite 608, Orange, California 92869.

1           6. At all relevant times herein, Randy Morton was the control person of Advanced Active  
2 Care, Inc. and Advanced Active Health Care Group of Dallas, Limited Partnership. Randy Morton  
3 was also the control person of Advanced Imaging, Inc. and Advanced Imaging-Fort Worth Limited  
4 Partnership.

5           7. Beginning at least as early as March 2004, Advanced Active Care, Inc. and Randy Morton  
6 offered and sold securities in the form of limited partnership units in Advanced Active Health Care  
7 Group of Dallas, Limited Partnership. The purported purpose of the limited partnership offering was  
8 to raise \$3,000,000 to finance, develop, own, manage and operate a medical imaging center in Dallas,  
9 Texas utilizing Electron Beam Tomography technology. Six hundred (600) limited partnership units  
10 were being offered at \$5,000 per unit.

11           8. Based on information and belief, as early as 2004, Advanced Imaging, Inc. and Randy  
12 Morton offered and sold securities in the form of limited partnership units in Advanced Imaging-Fort  
13 Worth Limited Partnership. The purported purpose of the limited partnership offering was to raise  
14 \$3,000,000 to finance, develop, own, manage and operate a medical imaging center in Fort Worth,  
15 Texas utilizing Electron Beam Tomography technology. Six hundred (600) limited partnership units  
16 were being offered at \$5,000 per unit.

17           9. Advanced Active Care, Inc., Advanced Imaging, Inc. and Randy Morton offered and sold  
18 these limited partnership units in Advanced Active Health Care Group of Dallas, Limited Partnership  
19 and Advanced-Imaging-Fort Worth Limited Partnership through general solicitation by means of  
20 unsolicited telephone calls to investors.

21           10. The Advanced Active Health Care Group of Dallas, Limited Partnership units and the  
22 Advanced Imaging-Fort Worth Limited Partnership units are securities in the form of investment  
23 contracts.

24           11. These securities were offered or sold in this state in issuer transactions. The  
25 Department of Corporations has not issued a permit or other form of qualification authorizing any  
26 person to offer and sell these securities in this state.

27           12. In connection with the offer and sale of these securities, Advanced Active Care, Inc.,  
28 Advanced Active Health Care Group of Dallas Limited Partnership, Advanced Imaging, Inc.,

1 Advanced Imaging-Forth Worth Limited Partnership, and Randy Morton made, or caused to be  
2 made, misrepresentations of material fact or omitted to state material facts necessary in order to make  
3 the statements made, in the light of the circumstances under which they were made, not misleading.

4 These misrepresentations and omissions included, but are not limited to the following:

5 a. Failed to disclose that Randy Morton was the control person of Lifeline Imaging, LLC. In  
6 approximately 2002-2003, Lifeline Imaging, LLC offered and sold securities in the form of  
7 investment partnership units in Lifeline Imaging of Long Beach Unit Investment Partnership and  
8 limited partnership units in Lifeline Imaging of Chandler, AZ Limited Partnership to finance medical  
9 imaging centers in California and Arizona;

10 b. Failed to disclose that Randy Morton was the control person of Lifeline Imaging Systems,  
11 Inc. In approximately 2002-2003, Lifeline Imaging Systems, Inc. offered and sold securities in the  
12 form of limited partnership units in Lifeline Imaging of Los Gatos Medical Investment Limited  
13 Partnership to finance a medical imaging center in Los Gatos, California;

14 c. Failed to disclose that in or about January 2003, the Missouri Securities Division entered  
15 into a consent order with Lifeline Imaging, LLC prohibiting the offer and sale of unregistered, non-  
16 exempt securities in Missouri;

17 d. Failed to disclose that on or about February 25, 2003, the Pennsylvania Securities  
18 Commission issued a cease and desist order to Lifeline Imaging, LLC and Lifeline Imaging of Long  
19 Beach for securities law violations;

20 e. Failed to disclose that in or about March 2003, the Securities Commissioner of the State  
21 of Kansas issued a cease and desist order to Lifeline Imaging, LLC for securities law violations and  
22 that in or about May 2003, Lifeline Imaging, LLC stipulated to a consent order prohibiting the offer  
23 and sale of unregistered, non-exempt securities in Kansas;

24 f. Failed to disclose that on or about October 1, 2003, Lifeline Imaging, LLC and Lifeline  
25 Imaging Systems, Inc. stipulated to the entry of a desist and refrain order issued by the California  
26 Corporations Commissioner for the offer and sale of unqualified, non-exempt securities.

27 Based on the foregoing findings, the California Corporations Commissioner is of the opinion  
28 that the securities in the form of limited partnership units in Advanced Active Health Care Group of

1 Dallas Limited Partnership issued by Advanced Active Care, Inc. and Randy Morton, and limited  
2 partnership units in Advanced Imaging-Forth Worth Limited Partnership issued by Advanced  
3 Imaging, Inc. and Randy Morton are securities subject to qualification under the California Corporate  
4 Securities Law of 1968 and are being or have been offered or sold without being qualified, in  
5 violation of Section 25110 of the Corporate Securities Law of 1968.

6 Pursuant to Section 25532 of the Corporate Securities Law of 1968, Advanced Active Care,  
7 Inc., Advanced Active Health Care Group of Dallas Limited Partnership, Advanced Imaging, Inc.,  
8 Advanced Imaging-Forth Worth Limited Partnership, and Randy Morton are hereby ordered to desist  
9 and refrain from the further offer or sale in the State of California of securities, including but not  
10 limited to, limited partnership units or investment contracts, unless and until qualification has been  
11 made under this law or unless exempt.

12 Further, the California Corporations Commissioner is of the opinion that the securities issued  
13 by Advanced Active Care, Inc., Advanced Active Health Care Group of Dallas Limited Partnership,  
14 Advanced Imaging, Inc., Advanced Imaging-Forth Worth Limited Partnership, and Randy Morton  
15 were offered and sold in this state by means of written or oral communications which included untrue  
16 statements of material fact or omitted to state material facts necessary in order to make the statements  
17 made, in the light of the circumstances under which they were made, not misleading, in violation of  
18 section 25401 of the Corporate Securities Law of 1968.

19 Pursuant to Section 25532 of the Corporate Securities Law of 1968, Advanced Active Care,  
20 Inc., Advanced Active Health Care Group of Dallas Limited Partnership, Advanced Imaging, Inc.,  
21 Advanced Imaging-Forth Worth Limited Partnership, and Randy Morton are hereby ordered to desist  
22 and refrain from offering or selling or buying or offering to buy any security in the State of  
23 California, including but not limited to, limited partnership units or investment contracts, by means of  
24 any written or oral communication which includes an untrue statement of a material fact or omits to  
25 state a material fact necessary in order to make the statements made, in the light of the circumstances  
26 under which they were made, not misleading.

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