

1 90210. TPG LLC is a Nevada limited liability company, registered on March 3, 2006 and has a
2 registered office at 4760 South Pecos Road, Suite 103, Las Vegas, Nevada, 89121.

3 2. PBM Inc. was registered with the California Secretary of State on April 27, 2004 and
4 is a suspended California corporation with a registered address at 468 N. Camden Drive, Suite 200,
5 Beverly Hills, California 90210. T. Hickman is the registered agent for service of process for the
6 company and was at all relevant times the control person of PBM Inc. T. Hickman was terminated
7 as an employee of American Express Financial Services on March 11, 2004, which firm was at that
8 time a licensed broker-dealer in the state of California. PBM Inc. was the recipient of \$202,720.69
9 in payments related to condominium purchases in Las Vegas, Nevada between October 2006 and
10 June of 2008, all of which purchases were arranged by T. Hickman and TPG LLC.

11 3. TPG LLC is the manager of 220 E. Flamingo Road 224 LLC, a Nevada limited
12 liability company which has a registered address of 4760 South Pecos Road, Suite 103, Las Vegas,
13 Nevada, 89121, and was registered with the Secretary of State on September 18, 2006. This
14 company is currently in default status with the Secretary of State of Nevada.

15 4. TPG LLC is the manager of 230 E. Flamingo Road 114 LLC, a Nevada limited
16 liability company which has a registered address of 4760 South Pecos Road, Suite 103, Las Vegas,
17 Nevada, 89121, and was registered on September 18, 2006. This company is currently in default
18 status with the Secretary of State of Nevada.

19 5. TPG LLC is the manager of 270 E. Flamingo Road 115 LLC, a Nevada limited
20 liability company which has a registered address of 4760 South Pecos Road, Suite 103, Las Vegas,
21 Nevada, 89121, and was registered on September 18, 2006. This company is currently in default
22 status with the Secretary of State of Nevada.

23 6. The 220 E. Flamingo Road 224 LLC, the 230 Flamingo Road 114 LLC, and the 270
24 E. Flamingo Road 115 LLC, (hereinafter "The Flamingo Road LLC's") are controlled by T.
25 Hickman, as the manager of TPG LLC. All of the three companies above were registered as limited
26 liability companies by T. Hickman and TPG LLC. Each of The Flamingo Road LLC's was formed
27 for the purpose of acquiring, managing and disposing of real estate. T. Hickman offered and sold
28 securities, in California, in the form of membership interests in the three Flamingo Road LLC's to

1 elderly residents of the State of California for the purported purpose of raising capital to purchase
2 real estate in Las Vegas, Nevada.

3 7. In August of 2008 T. Hickman induced an investor resident in California to enter into
4 an “investment agreement” which provided that T. Hickman through TPG LLC would purchase
5 property and manage the property and the investor would share in the profits of this enterprise. The
6 investor was guaranteed the return of principle even if no profits were earned. The investor gave T.
7 Hickman \$40,000. T. Hickman never provided any documentation for any real estate transaction
8 and never returned any funds to this investor.

9 8. In July of 2007 T. Hickman induced investors resident in California to put funds into
10 a joint venture that would purchase condominiums in Arizona. The investor’s credit and funds were
11 used to purchase two of six condominiums. TPG LLC was to manage the joint venture’s investment
12 in the condominiums, and the joint venture would generate profits as all condominium units were
13 rented and allegedly generating income. The rental income was to be shared by participants in the
14 joint venture as profits. No profits or return of capital was ever realized.

15 9. In May, 2009 T. Hickman accepted from California residents in excess of \$110,000 to
16 purchase “a Partnership in the Private Equity firm: The Prominent Group.”

17 **VIOLATION OF CORPORATIONS CODE SECTION 25110**

18 **(UNQUALIFIED OFFER AND SALE OF SECURITIES)**

19 10. In October, 2007 T. Hickman and TPG LLC sold to a then resident of California a
20 “partnership interest” in the form of a promissory note issued by TPG LLC for \$50,000. The
21 promissory note by its terms was to be repaid, commencing in six months, or in March, 2008. There
22 were further provisions for the payment of dividends if net profits were earned. The proceeds of the
23 note were to “be allocated to the Private Equity Investments made by The Prominent Group LLC.”
24 This promissory note was a security pursuant to Corporations Code section 25019 and was offered
25 and sold in the State of California.

26 11. In March, 2006 T. Hickman offered and sold securities to California residents in the
27 form of an investment contract for \$100,000 with PBM Inc. to manage investor funds in a real estate
28 project in Las Vegas, Nevada.

1 12. In January, 2009, T. Hickman offered and sold securities in the form of membership
2 interests in TPG LLC to residents of the State of California.

3 13. In August of 2008, T. Hickman induced an investor to enter into an “investment
4 agreement” wherein T. Hickman, through TPG LLC, would purchase property and manage the
5 property and the investor would share in the profits generated by this enterprise. The investor gave
6 T. Hickman \$40,000. T. Hickman promised the investor he would pay back the investor at the rate
7 of \$5000 per month in addition to paying “8% per annum” on the original \$40,000 investment. This
8 “investment agreement” was a security and was offered and sold in the state of California.

9 14. In July of 2007 T. Hickman induced investors resident in California to put funds into
10 a joint venture that would purchase condominiums in Arizona. The investor’s credit and funds were
11 utilized to purchase two of six condominiums. TPG LLC was to manage the joint venture’s
12 investment in the condominiums, and the joint venture would generate profits as all condominium
13 units were rented and were generating rental income. The rental income was to be shared with the
14 investors as profits. No profits were ever received, and the properties in Arizona went into
15 foreclosure. This “joint venture” interest was a security and was offered and sold in the state of
16 California.

17 15. In May, 2009 T. Hickman accepted from California residents in excess of \$110,000 to
18 purchase “a Partnership in the Private Equity firm: The Prominent Group.” This “Partnership” was a
19 security and was offered and sold in the state of California.

20 16. The membership interests in The Flamingo Road LLC’s and TPG LLC and the
21 investment contract with PBM Inc. and the promissory note issued by TPG LLC as well as the 2008
22 “investor agreement” to manage property and the “joint venture” to purchase condominiums in
23 Arizona, and the “Partnership in the Private Equity Firm: The Prominent Group” were all securities
24 and were offered or sold in this state in issuer transactions, between June 2006 and January 2009.
25 The Department of Corporations has not issued a permit or other form of qualification authorizing
26 any person to offer or sell these securities in this state.

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VIOLATION OF CORPORATIONS CODE SECTION 25401

(MISREPRESENTATIONS AND OMISSIONS OF MATERIAL FACTS)

17. In connection with these offers and sales, T. Hickman, TPG LLC, PBM Inc and the Flamingo Road LLC's have engaged in the offer and sale of membership interests in limited liability companies, by means of unsolicited telephone calls to investors prior to determining whether the prospective purchaser was a "qualified" purchaser, a practice also known as "cold calling".

18. At the time of the offer and sale of these securities between April 2007 and January 2009, T. Hickman and TPG LLC failed to disclose to investors in the 230 E. Flamingo Road 114 LLC and to all investors in TPG LLC and PBM Inc. and to the investor in the promissory note issued by TPG LLC:

a) that TPG LLC and T. Hickman had caused real property in Las Vegas, Nevada at 230 E. Flamingo Road 114 to be purchased in the individual names of two investors in the 230 E. Flamingo Road 114 LLC as joint tenants, and not in the name of the 230 E. Flamingo Road 114 LLC and had effected this transaction in June, 2006. The investors were never informed of the creation of the joint tenancy at the time of the purchase or at the execution of the operating agreement for the 230 E. Flamingo Road 114 LLC which was signed on April 27, 2007;

b) that a delinquency notice had been filed with the County Recorder of Clark County, Nevada against the property at 230 E. Flamingo Road 114 as of June 27, 2008 for failure to make timely payments to the Meridian Private Residence Homeowners Association;

c) that as of January 30, 2009 all assessments, late fees, interest, association charges, legal fees, collection fees and costs had gone unpaid on the property located at 230 E. Flamingo Road 114;

d) that as of January 1, 2009 a default in payment then due on a Deed of Trust had occurred in relation to the property located at 230 E. Flamingo Road 114; and

e) that as of October 31, 2008 a "Notice of Default and Election to Sell Pursuant to the Lien for Delinquent Assessments" had been filed with the County Recorder of Clark County, Las Vegas, Nevada for failure to pay assessments, late fees, interest, association charges, legal fees, collection fees and costs in relation to the property located at 220 E. Flamingo Road 224.

1 f) that Terrell Hickman was terminated from his position at American Express Financial
2 Services in March of 2004.

3 19. The Grant Deed recorded in Clark County, Las Vegas, Nevada on June 20, 2006 for
4 property at 230 E. Flamingo Road 114 (APN 162-16-810-297) reflects the address of T. Hickman
5 and TPG LLC as the address of the purchasers, and bears the notation that upon recording the deed,
6 all tax statements are to be sent to the 468 N. Camden Drive, Suite 200, Beverly Hills, CA 90210
7 address.

8 20. At the time in January of 2009 of the offer and sale of a “Partnership in the Private
9 Equity Firm The Prominent Group” in consideration of a sum in excess of \$110,000 T. Hickman
10 failed to disclose to the investor:

11 a) that as of January 1, 2009 a default in payment had occurred in relation to property
12 located at 230 E. Flamingo Road 114; and

13 b) that T. Hickman was terminated from his position at American Express Financial
14 Services in March of 2004.

15 c) that TPG LLC as the named manager of The Flamingo Road LLC’s had failed to
16 provide Capital Account statements for the years 2006, 2007 and 2008 to investors of those
17 companies as required by their respective operating agreements.

18 21. At the time in August of 2008 of the offer and sale to an investor to enter into an
19 “investment agreement” for the purchase and management of real property T. Hickman had
20 represented that he was a manager of a successful real estate investment in Las Vegas. T. Hickman
21 failed to disclose that in June of 2008 one of the properties managed by T. Hickman and TPG LLC
22 (2320 East Flamingo Road, Unit 114) had in fact received a Notice of Delinquent Assessment Lien
23 from the Meridian Private Residences Homeowners Assoc. and that as of August, 2008 all of the
24 Flamingo Road LLC properties were on the verge of foreclosure.

25 **VIOLATION OF CORPORATIONS CODE SECTION 25230**

26 **(UNLICENSED INVESTMENT ADVISER ACTIVITY)**

27 22. Commencing in 2005, T. Hickman solicited and accepted funds in California from a
28 resident of California to provide investment advice. T. Hickman accepted \$6,000 in consideration of

1 offering a range of financial services and advice related to the sale and purchase of securities.

2 23. In May of 2009 T. Hickman accepted investor funds in excess of \$18,000 from a
3 California resident. At that time T. Hickman represented to the investor that he was an “investment
4 adviser”. He promised the investor that he would recommend suitable investments after the
5 investor’s funds were deposited in the bank account of TPG LLC. By representing that he was a
6 registered investment adviser T. Hickman caused the investor to deposit funds in the business
7 account of TPG LLC.

8 24. In 2007 T. Hickman accepted funds from an investor to invest in a joint venture to
9 purchase condominiums in Arizona. T. Hickman represented to the investor that he was an
10 investment adviser, inducing the investor to provide in excess of \$20,000 to T. Hickman for an
11 interest in the joint venture.

12 25. At all times described above T. Hickman did not have a valid investment adviser
13 certificate issued by the California Department of Corporations or the Securities and Exchange
14 Commission then in effect, in violation of California Corporations Code section 25230.

15 **II.**

16 **ORDER LEVYING ADMINISTRATIVE PENALTIES**

17 **(For violations of Corporations Code sections 25110 and 25401)**

18 26. Complainant re-alleges and reincorporates by reference paragraphs 1-15 of this
19 Statement in Support as though fully set forth herein.

20 27. Corporations Code section 25252 authorizes the Commissioner to issue an order
21 levying administrative penalties against any person for willful violations of any provision of the CSL
22 and any rules promulgated thereunder. Specifically, Corporations Code section 25252 provides, in
23 relevant part:

24 The commissioner may, after appropriate notice and opportunity for
25 hearing, by orders, levy administrative penalties as follows:

- 26 (a) Any person subject to this division, other than a broker-dealer or
27 investment adviser, who willfully violates any provision of this
28 division, or who willfully violates any rule or order adopted or issued
pursuant to this division, is liable for administrative penalties of not

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more than one thousand dollars (\$1,000) for the first violation, and not more than two thousand five hundred dollars (\$2,500) for each subsequent violation.

28. Based on the foregoing findings of fact, as set forth fully above in paragraphs 1 through 15, Respondents willfully violated the following provisions:

a) Corporations Code section 25110 by offering and selling membership interests, promissory notes and investment contracts that are not qualified by the Department or exempt to the following investors:

- i) Investor #1
- ii) Investor #2
- iii) Investor #3
- iv) Investor #4
- v) Investor #5
- vi) Investor #6
- vii) Investor #7
- viii) Investor #8

b) Corporations Code section 25401 by making untrue statements in association with the offer and sale of membership interests, promissory notes and investment contracts to the following investors:

- i) Investor #1
- ii) Investor #2
- iii) Investor #3
- iv) Investor #4
- v) Investor #5
- vi) Investor #6
- vii) Investor #7
- viii) Investor #8

c) Corporations Code section 25230 by soliciting and accepting funds in

1 consideration of providing investment advice with regard to the sale and purchase of
2 securities without a valid investment adviser certificate issued by the California Department
3 of Corporations or the Securities and Exchange Commission, then in effect to the following
4 investor:

- 5 i) Investor #1
- 6 ii) Investor #2
- 7 iii) Investor #3

8 **WHEREFORE**, good cause showing, and pursuant to Corporations Code section 25252,
9 the Commissioner prays for an order levying administrative penalties individually, jointly and
10 severally against Respondents Terrell O. Hickman, The Prominent Group LLC, Prominent
11 Business Management Inc., 220 E. Flamingo Road 224 LLC, 230 E. Flamingo Road 114 LLC
12 and 270 E. Flamingo Road 115 LLC as follows:

13 A) That pursuant to Corporations Code section 25252, the Commissioner levy
14 administrative penalties of one thousand dollars (\$1,000) for the first violation of Corporations
15 Code section 25110 and two thousand five hundred dollars (\$2,500) for each subsequent violation,
16 as listed below, for a total amount of seventeen thousand five hundred dollars (\$17,500).

- 17 1) Investor #1 - \$1,000
- 18 2) Investor #2 - \$2,500
- 19 3) Investor #3 - \$2,500
- 20 4) Investor #4 - \$2,500
- 21 5) Investor #5 - \$2,500
- 22 6) Investor #6 - \$2,500
- 23 7) Investor #7 - \$2,500
- 24 8) Investor #8 - \$2,500

25 B) That pursuant to Corporations Code section 25252 the Commissioner levy
26 administrative penalties of one thousand dollars (\$1,000) for the first violation of Corporations
27 Code section 25401 and two thousand five hundred dollars (\$2,500) for each subsequent violation,
28 as listed below, for a total amount of seventeen thousand five hundred (\$17,500).

1 claim for restitution or disgorgement or damages on behalf of the
2 persons injured by the act or practice constituting the subject matter of
3 the action, and the administrative law judge shall have jurisdiction to
award additional relief.

4 (b) In an administrative action brought under this part, the commissioner
5 is entitled to recover costs, which in the discretion of the administrative law
6 judge may include an amount representing reasonable attorney’s fees and
7 investigative expenses for the services rendered, for deposit into the State
Corporations Fund for the use of the Department of Corporations.

8 31. Based on the foregoing findings of fact, as set forth fully above in paragraphs 1-15,
9 Respondents sold unqualified securities by means of misrepresentations or omissions of material
10 facts in an amount of at least eight hundred thirty-two thousand dollars (\$832,000) to at least eight
11 (8) California investors in violation of Corporations Code sections 25110 and 25401. Respondents
12 also solicited and accepted funds for providing financial advice without a valid investment adviser
13 certificate in violation of Corporations Code section 25230, and these funds totaled six thousand
14 dollars, (\$6,000) for a total of eight hundred and thirty-eight thousand dollars (\$838,000).

15 **WHEREFORE,** good cause showing and the Commissioner’s determination that this action
16 is in the public interest and necessary to effectuate the Department’s primary, legitimate, regulatory
17 purpose based upon the Respondents’ violations of the CSL, the Commissioner hereby prays for an
18 order of ancillary relief pursuant to Corporations Code section 25254, individually, jointly and
19 severally against Respondents as follows:

20 A) Full restitution, consisting of the investors’ investment principal in an amount of at
21 least eight hundred and thirty-eight thousand dollars (\$838,000) and interest accumulated on the
22 investment principal or according to proof;

23 B) Recovery of attorney’s fees, investigative expenses, and costs in an amount of at least
24 forty-five thousand dollars (\$45,000), or according to proof.

25 **IV.**

26 **DESIST AND REFRAIN ORDER**

27 32. Complainant re-alleges and reincorporates by reference paragraphs 1-15 of this
28 Statement in Support as though fully set forth herein.

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33. Corporations Code section 25532, in pertinent part, states:

(a) If, in the opinion of the commissioner, (1) the sale of a security is subject to qualification under this law and it is being or has been offered or sold without first being qualified, the commissioner may order the issuer or offeror of the security to desist and refrain from the further offer or sale of the security until qualification has been made under this law...

b) If, in the opinion of the commissioner, a person has been or is acting as a broker-dealer or investment adviser, or has been engaged in broker-dealer or investment adviser activities...in violation of Section 25230...the commissioner may order that person to desist and refrain from the activity until the person has been appropriately licensed or the required filing has been made under this law.

(c) If, in the opinion of the commissioner, a person has violated or is violating Section 25401, the commissioner may order that person to desist and refrain from the violation.

34. Based on the foregoing findings, the California Corporations Commissioner is of the opinion that the investments in the form of membership interests purchased by investors in TPG LLC, 270 E. Flamingo Road 115 LLC, 230 E. Flamingo Road 114 LLC, and 220 E. Flamingo Road 224 LLC, the promissory note and the investment contract relating to an investment in The Prominent Group, and Prominent Business Management Inc. are securities subject to qualification under the California Corporate Securities Law of 1968, and are being or have been offered or sold without being qualified in violation of Corporations Code section 25110.

35. Further, the California Corporations Commissioner is of the opinion that Terrell Ornett Hickman and Prominent Business Management Inc. has engaged in soliciting and accepting funds in consideration of offering financial services and advice relating to the purchase and sale of securities, in this state, without first securing from the Commissioner a certificate, then in effect, authorizing him to act as an investment adviser, or unless exempt, in violation of Corporations Code section 25230.

36. Further, the California Corporations Commissioner is of the opinion that the securities representing memberships of limited liability interests in The Prominent Group LLC and 230 E. Flamingo Road 114 LLC, and 220 E. Flamingo Road 224 LLC, and a promissory note and an

1 investment contract with Prominent Business Management Inc., were offered or sold in this state by
2 means of written or oral communications which included an untrue statement of a material fact or
3 omitted to state a material fact necessary in order to make the statements made, in the light of the
4 circumstances under which they were made, not misleading, in violation of section 25401 of the
5 Corporate Securities Law of 1968.

6
7 **IT IS HEREBY ORDERED EFFECTIVE IMMEDIATELY THAT:**

8 A) Pursuant to section 25532 of the Corporate Securities Law of 1968, The Prominent
9 Group LLC, Prominent Business Management Inc., Terrell Ornett Hickman, 270 E. Flamingo Road
10 115 LLC, 230 E. Flamingo Road 114 LLC and 220 E. Flamingo Road 224 LLC desist and refrain
11 from the further offer or sale in the State of California of securities, including but not limited to
12 membership interests in limited liability companies, investment contracts and promissory notes,
13 unless and until qualification has been made under the law, or unless exempt.

14 B) Pursuant to section 25532 of the Corporate Securities Law, The Prominent Group
15 LLC, Terrell Ornett Hickman, 230 E. Flamingo Road 114 LLC and Prominent Business
16 Management Inc. desist and refrain from offering or selling or buying or offering to buy any security
17 in the State of California, including but not limited to membership interests in limited liability
18 companies, by means of any written or oral communication which includes an untrue statement of a
19 material fact or omits to state a material fact necessary in order to make the statements made, in light
20 of the circumstances under which they were made, not misleading.

21 C) Terrell Ornett Hickman, and Prominent Business Management Inc. pursuant to 25532
22 of the Corporate Securities Law, desist and refrain from violating Corporations Code section 25230
23 and acting as an investment adviser in the State of California unless and until they have first
24 applied for and secured from the Commissioner a certificate, then in effect, authorizing them, and
25 each of them, to act as an investment adviser, or unless exempt.

26 This Order is necessary, in the public interest, for the protection of investors and consistent
27 with the purposes, policies, and provisions of the Corporate Securities Law of 1968. This Order

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shall remain in full force and effect until further order of the California Corporations Commissioner.

Dated: November 4, 2010
Los Angeles, California

PRESTON DuFAUCHARD
California Corporations Commissioner

By _____
ALAN S. WEINGER
Deputy Commissioner
Enforcement Division