

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: AUSTIN MEDICAL IMAGING, LP; BODY)
SCAN IMAGING CENTERS, LLC)
CARDIAC IMAGING, LLC; LAS VEGAS) FILE NO. 0400679
WEST MEDICAL IMAGING, LP; MEDICAL)
IMAGING, LLC, NEWSKAN IMAGING UNIT)
INVESTMENT TRUST AND WILLIAM)
EDGAR SHARP)

ORDER OF PROHIBITION AND FINE

TO THE RESPONDENTS: Austin Medical Imaging, LP
Body Scan Imaging Centers, LLC
Cardiac Imaging, LLC
Las Vegas West Medical Imaging, LP
Medical Imaging, LLC
Newskan Imaging Unit Investment Trust
6 Venture, Suite 100
Irvine, CA 92618

William Edgar Sharp CRD 4481811
5226 Capo Bella
Aliso Viejo CA 92656

WHEREAS, the record of the above-captioned matter has been reviewed by the Secretary of State or his duly authorized representative;

WHEREAS, the rulings of the Hearing Officer on the admission of evidence and all motions are deemed to be proper and are hereby concurred with by the Secretary of State;

WHEREAS, the proposed Findings of Facts and Conclusions of Law and Recommendation of the Hearing officer, John K. Ellis, in the above-captioned matter have been read and examined; and

WHEREAS, the proposed Findings of Fact are correct and are adopted by the Secretary of State as follows:

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1. That on or about the first week of February 2002, William Edgar Sharp ("Sharp") represented to an Illinois resident that he was an employee or agent of Body Scan Imaging Centers, LLC and offered and sold to an Illinois resident an investment in a medical imaging center to be built in Austin Texas. Sharp told the Illinois resident to make out his investment check to Medical Imaging, LLC;
2. Subsequent to his conversation with Sharp, the Illinois resident on February 22, 2002 made out a check in the amount of \$15,000 to Medical Imaging, LLC and received a certificate evidencing ownership by the Illinois resident of 3 units in the Austin Medical Imaging, LP;
3. Approximately at the end of March 2002, Sharp telephoned the Illinois resident again and offered and solicited him to purchase another investment in a medical imaging center to be built in Philadelphia, PA. Sharp instructed the Illinois resident to make out his investment check to Cardiac Imaging Center, LLC for \$15,000;
4. Subsequent to his conversation with Sharp, the Illinois resident on April 1, 2002 made out a check in the amount of \$15,000 to Cardiac Imaging, LLC and received a certificate evidencing ownership by the Illinois resident of 3 units in the Newscan Imaging Unit Investment Trust;
5. A few days later in April, 2002, Sharp re-contacted the Illinois resident and offered and solicited to him the purchase of an investment in a medical imaging center to be built in Las Vegas, Nevada;
6. Subsequently, the Illinois resident on April 7, 2002 made out a check in the amount of \$25,000 to Las Vegas Medical Imaging, LP and received a certificate evidencing ownership by the Illinois resident of 5 units in the Las Vegas West Medical Imaging, LP;
7. The above-referenced units in limited partnerships, limited liability companies and unit investment trusts are securities as that term is defined pursuant to Section 2.1. of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act");

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8. That Section 5 of the Act provides, inter alia, that all securities except those exempt under Section 3 of the Act or those offered and sold in transactions exempt under Section 4 of the Act shall be registered with the Secretary of State prior to their offer or sale in the State of Illinois;
9. That Section 12.A of the Act provides, inter alia, that it shall be a violation of the Act for any person to offer or sell securities except in accordance with the provisions of the Act;
10. That at all times relevant hereto, Austin Medical Imaging, LLC, Body Scan Imaging Center, LLC, Cardiac Imaging, LLC, Las Vegas West Medical Imaging, LP, Newscan Imaging Unit Investment Trust and William Edgar Sharp ("the Respondents") failed to file an application for registration of the above-referenced securities with the Secretary of State prior to their offer or sale in the State of Illinois;
11. That Section 12.D of the Act provides, inter alia, that it shall be a violation of the Act for any person to fail to file with the Secretary of State any document or application required to be filed under the provision of the Act;
12. That section 8.A. of the Act states, inter alia, that, except as otherwise provided in subsection A, every salesperson shall be registered as such with the Secretary of State;
13. That Respondent, William Edgar Sharp, is not registered in Illinois as a salesperson during the relevant time period of the sales of securities in the State of Illinois;
14. That Section 12.C of the Act states, inter alia, that it shall be a violation of the Act for any person to act as a salesperson unless registered as such, where such registration is required;
15. That by virtue of the foregoing, William Edgar Sharp has violated Sections 12. A, C and D of the Act;

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16. That Section 11.E(2) of the Act provides, inter alia, that if the Secretary of State shall find that any person has violated subsection C or D of Section 12 of the Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State;
17. That Section 11.E(4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act; and
18. That by virtue of the foregoing, William Edgar Sharp is subject to a fine of up to \$10,000.00 per violation and an order which permanently prohibits the Respondents from offering or selling securities in the State of Illinois.

WHEREAS, the proposed Conclusions of Law are correct and are adopted by the Secretary of State as follows:

1. After proper notification, the Complainant may proceed with a hearing in the Respondent's absence. (735 ILCS 5/1-105 and 5/2-1301; Ryan v. Bening, 1978, 22 Ill. Dec. 873, 66 Ill. App.3d 127, 383 N.E.2d 681; Koenig v. Nardullo, 1968, 99 Ill. App. 480, 241 N.E.2d 567) Significantly, the Notice of Hearing outlines that a default judgment may be entered against a Respondent who fails to appear or answer the charge(s);
2. The actions, representations, and/or omissions of the Respondents made in connection with the offer or sale of unregistered securities to Illinois purchasers are a violation of 815 ILCS 5/12.A. The Respondents' actions, statements, representations, and/or omissions made in connection with a failure to register as a salesperson with the Secretary of State are a violation of 815 ILCS 5/12.C. The Respondents' actions, statements, representations, and/or omissions made in connection with a failure to file the required application for registration with the Secretary of State are a violation of 815 ILCS 5/12.D ;

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3. That by virtue of the foregoing the Respondents are subject to an Order of Permanent Prohibition in the State of Illinois, a public censure and a fine of up to \$10,000 per violation and or granting such other relief as may be authorized under the Act; and
4. Because of the Findings of this Order, the pleading, the exhibits admitted as Secretary of State exhibits 1 and 9 and the oral testimony presented, as well as the fact that the Respondents failed to answer the charges or appear at the hearing, the entry of a written Order of Prohibition pursuant to Section 11.E(2) of the Act, which permanently prohibits the offer or sale of securities by the Respondents in the State of Illinois, and a fine up to \$10,000 per violation and an order of Public Censure is proper in this matter.

WHEREAS, the proposed Recommendations of the Hearing Officer are adopted by the Secretary of State.

NOW THEREFORE IT IS HEREBY ORDERED: That pursuant to the foregoing Findings of Fact, Conclusions of Law, and the Recommendation of the Hearing Officer:

1. The Respondents and their affiliates, successors and assigns are permanently prohibited from offering or selling securities in the State of Illinois.
2. The Respondent, William Edgar Sharp, is fined \$10,000 to be paid by certified check or money order with 30 days of this order.
3. The Respondents and their affiliates, successors and assigns are hereby publicly censured.

ENTERED: This 11th day of October, 2005



JESSE WHITE
Secretary of State
State of Illinois

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NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the Illinois Securities Law of 1953, as amended, 815 ILCS 5/1 et seq. (the "Act"). Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony.

This is a final order subject to administrative review pursuant to the Administrative Review Law, 735 ILCS 5/3-101 et seq. and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. I, Sec. 130.1123). Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

Attorney for the Secretary of State:
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Springfield, Illinois 62701
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