

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SECURITIES EXCHANGE ACT OF 1934  
Release No. 58472/September 8, 2008

ADMINISTRATIVE PROCEEDING  
File No. 3-13116

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In the Matter of :  
: ORDER MAKING FINDINGS AND  
TIMOTHY L. BRADSHAW : IMPOSING SANCTION BY DEFAULT  
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**SUMMARY**

This Order bars Timothy L. Bradshaw (Bradshaw) from association with any broker or dealer.

**I. BACKGROUND**

The Securities and Exchange Commission (Commission) issued its Order Instituting Proceedings (OIP) in this matter on August 5, 2008, pursuant to Section 15(b) of the Securities Exchange Act of 1934 (Exchange Act). The OIP alleges that Bradshaw was enjoined from violations of the antifraud and registration provisions of the federal securities laws. Bradshaw was served with the OIP in accordance with 17 C.F.R. § 201.141(a)(2)(i) on August 12, 2008, and his Answer to the OIP was due within twenty days of service of the OIP on him. See OIP at 3; 17 C.F.R. § 201.220(b). Bradshaw failed to file an Answer or otherwise to defend the proceeding within the meaning of 17 C.F.R. § 201.155(a)(2). Accordingly, he is in default, and the undersigned finds that the allegations in the OIP are true as to him. See OIP at 3; 17 C.F.R. §§ 201.155(a), .220(f).

**II. FINDINGS OF FACT**

Bradshaw, 51 years old, is a resident of Greensboro, North Carolina. From November 2001 through at least August 31, 2004, Bradshaw acted both individually and through a staff of sales agents to promote the sale of investment contracts for Mobile Billboards of America, Inc. (MBA). During the time in which he engaged in the conduct underlying the judgment described below, Bradshaw was not a registered representative associated with a broker-dealer registered with the Commission.

Bradshaw is permanently enjoined from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 and of Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 promulgated under Exchange Act Section 10(b). SEC v. Hollenbeck, Civil Action No. 1:05-CV-WBH (N.D. Ga. July 10, 2008). The Court also ordered disgorgement against Bradshaw in the amount of \$4,100,000 with prejudgment interest in the amount of \$1,096,940, and imposed a civil penalty of \$100,000.

MBA sold more than \$60 million of investments that consisted of mobile billboard frames that were purportedly mounted on the sides of trucks to hold advertising posters. Outdoor Media Industries (Outdoor Media), a division of International Payphone controlled by the promoters of MBA, leased the billboards back from investors for seven years for monthly payments equivalent to 13.49% annually. Reserve Guaranty, another entity controlled by MBA's promoters, purportedly operated as a sinking fund and issued investors certificates that purportedly guaranteed funding for MBA's commitment to buy back the billboards at the full purchase price at the end of the seven-year lease. The investment program operated as a Ponzi scheme because the collective business did not generate sufficient advertising revenue to make monthly lease payments to investors and, instead, relied on new investor money. MBA's sales materials made false claims about the number of billboards that were operational and misrepresented the value of assets contributed to Reserve Guaranty.

The investment contracts were sold through a network of independent sales agents. Bradshaw was one of the top three sales agents for MBA. He sold more than \$5.3 million of the investments, and sales agents under his direction sold an additional \$16 million. Bradshaw knew that MBA was using a portion of the purchase price investors paid for the billboards to make the first year of lease payments to investors even though that fact was not disclosed to investors. Bradshaw operated as a broker-dealer.

### **III. CONCLUSIONS OF LAW**

Bradshaw has been permanently enjoined "from engaging in or continuing any conduct or practice in connection . . . with the purchase or sale of any security" within the meaning of Sections 15(b)(4)(C) and 15(b)(6)(A)(iii) of the Exchange Act.

### **IV. SANCTION**

Bradshaw will be barred from association with any broker or dealer. This sanction is authorized by Section 15(b) of the Exchange Act and will serve the public interest and the protection of investors. It accords with Commission precedent and the sanction considerations set forth in Steadman v. SEC, 603 F.2d 1126, 1140 (5th Cir. 1979).<sup>1</sup>

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<sup>1</sup> The fact that Bradshaw was not associated with a broker-dealer during his wrongdoing does not insulate him from a bar. See Vladislav Steven Zubkis, 86 SEC Docket 2618 (Dec. 2, 2005), recon. denied, 87 SEC Docket 2584 (Apr. 13, 2006) (unregistered associated person of an unregistered broker-dealer barred from association with a broker or dealer).

**V. ORDER**

IT IS ORDERED that, pursuant to Section 15(b) of the Securities Exchange Act of 1934, TIMOTHY L. BRADSHAW IS BARRED from association with any broker or dealer.

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Carol Fox Foelak  
Administrative Law Judge