

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF BANKING AND SECURITIES

In the matter of:)
) ORDER NO: 2011-000838-01-S
)
Doppelganger Productions, LLC) ORDER ASSESSING CIVIL PENALTY
) AND
) CONSENT TO ORDER
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)
Respondent.)
_____)

The Director of the Department of Commerce, Community, and Economic Development, Division of Banking and Securities (the Administrator), has conducted an investigation into certain business activities of Doppelganger Productions, LLC (“Doppelganger” or “Respondent”), and has determined that the Respondent violated certain provisions of AS 45.55 (the “Alaska Securities Act”) by offering and selling securities in Alaska without the securities first being registered or benefit of exemption from registration, and by paying or by compensating unregistered agents of the Respondent.

The Respondent agrees that the Administrator has jurisdiction over the Respondent and these matters pursuant to the Alaska Securities Act.

The Respondent wishes to resolve and settle this matter with the Administrator. As evidenced by the authorized signatures on this Order, the Respondent consents to the entry of this Order assessing a civil penalty based on the Conclusions of Law and Order. The Respondent waives its right of appeal under AS 45.55.920(d).

II. FACTS

1. Doppelganger is a limited liability company organized under the laws of the state of Alaska. Doppelganger received a Certificate of Organization on July 23, 2010, under entity

1 number 129813. Doppelganger's primary business location is 1530 Helen Drive, Anchorage,
2 AK 99515, and its mailing address is 645 G Street, Suite 100-616, Anchorage, AK 99501.

3 2. Doppelganger filed its Initial Report on July 26, 2010, with the Division of
4 Corporations, Business and Professional Licensing, listing Tiffany Guinn, Ron Holmstrom
5 and Jan Welt as the members of Doppelganger.

6 3. Between August 4, 2010 and February 15, 2011, Doppelganger properly sold and
7 issued membership units to Alaska residents, relying on an exemption from securities
8 registration under Alaska Statute (AS) 45.55.900(b)(5)(C).

9 4. On or about March 10, 2011, Doppelganger engaged the services of two individuals
10 to act as its agents and agreed to pay them each a finder's fee for identifying purchasers to
11 buy its membership units. Doppelganger agreed to pay each individual a fee of four percent
12 of the subscription amount. Doppelganger did not register the individuals with the Division
13 to act as its agents.

14 5. On or about March 10, 2011, the two agents of Doppelganger identified one potential
15 purchaser, with the transaction later completed by a managing member of Doppelganger.
16 Doppelganger paid each agent a finder's fee of \$1,000.

17 6. On March 21, 2011, Doppelganger filed with the Division a Notice of Exempt
18 Securities Transaction under AS 45.55.900(b)(5)(B) form to exempt its membership units
19 from securities registration. The Division accepted the notice on March 21, 2011.
20 Doppelganger did not sell any membership units relying on the exemption.

21 7. On August 5, 2011, Doppelganger, through its attorney, reported to the Division that
22 its agents sold membership units on March 10, 2011.

23 8. On August 26, 2011, Doppelganger submitted and received Division acceptance of a
24 Notice of Rescission in compliance with AS 45.55.900(b)(19), 45.55.930, and 3 AAC

1 08.915. After completing the rescission offer, Doppelganger completed and filed the
2 required confirmation form regarding the rescission offer.

3 9. On August 26, 2011, Doppelganger submitted a Notice of Exempt Securities
4 Transaction under AS 45.55.900(b)(5)(A) and paid the appropriate fee, to exempt its
5 membership units from securities registration. The Division accepted the notice on August
6 26, 2011.

7 III. CONCLUSIONS OF LAW

8 1. The membership units offered, sold and issued by Doppelganger are securities under
9 AS 45.55.990(32).

10 2. By paying commissions or other remuneration to unregistered agents, Doppelganger
11 violated AS 45.55.040.

12 3. Doppelganger is ineligible for the exemption from securities registration under AS
13 45.55.900(b)(5)(C), because the section prohibits the payment of commission or other
14 remuneration to any person not registered under AS 45.55.040.

15 4. Because Doppelganger's securities were ineligible for exemption from securities
16 registration, the securities it offered and sold were unregistered in violation of AS 45.55.070.

17 5. Doppelganger self-reported the registration issue to the Division and cooperated with
18 the Division to resolve the registration issue through a rescission offer under AS
19 45.55.900(b)(19), 45.55.930 and 3 AAC 08.915.

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1 **IV. ORDER**

2 1. Doppelganger is ordered to pay a civil penalty under AS 45.55.920, in the amount of
3 \$500. The civil penalty is due and payable in full at the time of entry of the Order.

4 IT IS SO ORDERED:

5 **SUSAN BELL, Commissioner**
6 Department of Commerce, Community and Economic Development

7
8 August 20, 2012
9 Date

/s/ Lorie L. Hovanec
Lorie L. Hovanec, Director
Division of Banking and Securities

10
11 **Managing Members Consent to Entry of Order**
12 (for Doppelganger Productions, LLC)

13 The undersigned managing members of Doppelganger Productions, LLC
14 (Doppelganger) acknowledge that we have read the foregoing Order and that we know and
15 fully understand the Order contents; that Doppelganger has been represented by counsel in
16 this matter; that Doppelganger acknowledges violation of the Alaska Securities Act; that
17 Doppelganger has been advised of the right to a hearing; that Doppelganger voluntarily and
18 without any force or duress, consents to the entry of this Order, expressly waiving any right
19 to a hearing in this matter; that Doppelganger understands that the Administrator reserves the
20 right to take further actions to enforce this Order or to take appropriate action upon discovery
21 of other violations of the Alaska Securities Act, and that Doppelganger will fully comply
22 with the terms and conditions stated herein.

23 Doppelganger further assures the Administrator that Doppelganger and its members,
24 officers, employees and agents will only effect securities transactions in Alaska in full

1 compliance with the terms of this Order, the Alaska Securities Act (AS 45.55) and
2 regulations (AAC 03.008).

3 Doppelganger understands that this Consent Order is a public document.

4
5 August 20, 2012 _____ /s/ Ron Holmstrom _____
6 Date Doppelganger Productions, LLC

7 By: Ron Homstrom _____
8 Title: Managing Member

9 SUBSCRIBED AND SWORN TO before me this 20th day of August, 2012, at Anchorage,
10 Alaska.

11 /s/ Shirley N. Rich _____
12 Notary Public in and for Alaska

13 Shirley N. Rich _____
14 Notary Printed Name
15 My commission expires: 10/02/2013

16 August 20, 2012 _____ /s/ Tiffany Guinn _____
17 Date Doppelganger Productions, LLC

18 By: Tiffany Guinn _____
19 Title: Managing Member

20 SUBSCRIBED AND SWORN TO before me this 20th day of August, 2012, at Anchorage,
21 Alaska.

22 /s/ Shirley N. Rich _____
23 Notary Public in and for Alaska

24 Shirley N. Rich _____
Notary Printed Name
My commission expires: 10/02/2013

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August 20, 2012
Date

/s/ Jan Welt
Doppelganger Productions, LLC

By: Jan Welt
Title: Managing Member

SUBSCRIBED AND SWORN TO before me this 20th day of August, 2012, at Anchorage, Alaska.

/s/ Shirley N. Rich
Notary Public in and for Alaska

Shirley N. Rich
Notary Printed Name
My commission expires: 10/02/2013

Approved as to Form

/s/ Julius Brecht
Julius Brecht, Attorney

08/20/12
Date

Contact Person:
Roger W. Prince
Securities Examiner
(907) 269-8144

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