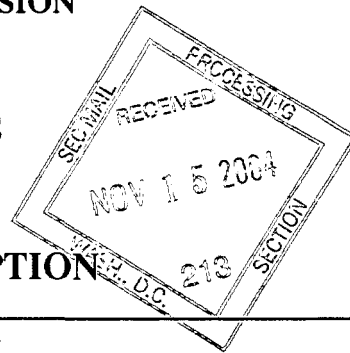




04049985

NOTICE OF SALE OF SECURITIES
PURSUANT TO REGULATION D,
SECTION 4(6) AND/OR
UNIFORM LIMITED OFFERING EXEMPTIONName of Offering (☐ check if this is an amendment and name has changed, and indicate change.)

FAIRY TALE PARTNERS III LIMITED PARTNERSHIP

Filing Under (Check boxes that apply): ☐ Rule 504 ☐ Rule 505 ☒ Rule 506 ☐ Section 4(6) ☐ ULOEType of Filing: ☒ New Filing ☐ Amendment

A. BASIC IDENTIFICATION DATA

1. Enter the information requested about the issuer.

Name of Issuer: (☐ check if this is an amendment and name has changed, and indicate change.)

FAIRY TALE PARTNERS III LIMITED PARTNERSHIP

Address of Executive Office (Number and Street, City, State, Zip Code)

C/O TAG Entertainment, Inc., 9916 South Santa Monica Blvd, Beverly Hill, CA 90212

Telephone Number (Including Area Code) (310) 277-3700

Address of Principal Business Operations

(Number and Street, City, State, Zip Code)

C/O TAG Entertainment, Inc., 9916 South Santa Monica Blvd, Beverly Hill, CA 90212

Telephone Number (Including Area Code) (310) 277-3700

Brief Description of Business

The Company is a film production company engaged in the production of family oriented feature films and other entertainment products.

Type of Business Organization

- ☐ corporation ☒ limited partnership, already formed ☐ other (please specify)
- ☐ business trust ☐ limited partnership, to be formed

Actual or Estimated Date of Incorporation or Organization:

Month Year

05 02

☒ Actual☐ Estimated

Jurisdiction of Incorporation or Organization: (Enter two-letter U.S. Postal Service abbreviation for State:

CN for Canada; FN for other foreign jurisdiction)

NV

GENERAL INSTRUCTIONS

Federal

Who Must File: All issuers making an offering of securities in reliance on an exemption under Regulation D or Section 4(6), 17 CFR 230.501 et seq. or 15 U.S.C. 77d(6).*When to File:* A notice must be filed no later than 15 days after the first sale of securities in the offering. A notice is deemed filed with the U.S. Securities and Exchange Commission (SEC) on the earlier of the date it is received by the SEC at the address given below or, if received at that address after the date on which it is due, on the date it was mailed by United States registered or certified mail to that address.*Where to File:* U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549.*Copies Required:* Five (5) copies of this notice must be filed with the SEC, one of which must be manually signed. Any copies not manually signed must be photocopies of the manually signed copy or bear typed or printed signatures.*Information Required:* A new filing must contain all information requested. Amendments need only report the name of the issuer and offering, any changes thereto, the information requested in Part C, and any material changes from the information previously supplied in Parts A and B. Part E and the Appendix need not be filed with the SEC.*Filing Fee:* There is no federal filing fee.*State:* This notice shall be used to indicate reliance on the Uniform Limited Offering Exemption (ULOE) for sales of securities in those states that have adopted ULOE and that have adopted this form. Issuers relying on ULOE must file a separate notice with the Securities Administrator in each state where sales are to be, or have been made. If a state requires the payment of a fee as a precondition to the claim for the exemption, a fee in the proper amount shall accompany this form. This notice shall be filed in the appropriate states in accordance with state law. The Appendix to the notice constitutes a part of this notice and must be completed.

PROCESSED

NOV 17 2004

THOMAS
FINANCIAL

BAM

A. BASIC IDENTIFICATION DATA

A. Enter the information requested for the following:

- Each promoter of the issuer, if the issuer has been organized within the past five years;
- Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer;
- Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and
- Each general and managing partner of partnership issuers.

Check Box(es) that Apply: ☒ Promoter ☒ Beneficial Owner ☐ Executive Officer ☐ Director ☒ General and/or Managing Partner

Full Name (Last name first, if individual)

Steve Austin

Business or Residence Address (Number and Street, City, State, Zip Code)

c/o 4130 Cahuenga Boulevard, Suite 220, Universal City, CA 91602

Check Box(es) that Apply: ☐ Promoter ☐ Beneficial Owner ☐ Executive Officer ☐ Director ☐ General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: ☐ Promoter ☐ Beneficial Owner ☐ Executive Officer ☐ Director ☐ General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: ☐ Promoter ☐ Beneficial Owner ☐ Executive Officer ☐ Director ☐ General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: ☐ Promoter ☐ Beneficial Owner ☐ Executive Officer ☐ Director ☐ General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: ☐ Promoter ☐ Beneficial Owner ☐ Executive Officer ☐ Director ☐ General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: ☐ Promoter ☐ Beneficial Owner ☐ Executive Officer ☐ Director ☐ General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

(Use blank sheet, or copy and use additional copies of this sheet, if necessary)

B. INFORMATION ABOUT OFFERING

1. Has the issuer sold, or does the issuer intend to sell, to non-accredited investors in this offering? Yes No
Answer also in Appendix, Column 2, if filing under ULOE. ☐ ☒
2. What is the minimum investment that will be accepted from any individual? \$25,000
3. Does the offering permit joint ownership of a single unit? Yes No
☒ ☐
4. Enter the information requested for each person who has been or will be paid or given, directly or indirectly, any commission or similar remuneration for solicitation of purchasers in connection with sales of securities in this offering. If a person to be listed is an associated person or agent of a broker or dealer registered with the SEC and/or with a state or states, list the name of the broker or dealer. If more than five (5) persons to be listed are associated persons of such a broker or dealer, you may set forth the information for that broker or dealer only.

Full Name (Last name first, if individual)

SEE EXHIBIT B

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States) ☒ All States

[AL]	[AK]	[AZ]	[AR]	[CA]	[CO]	[CT]	[DE]	[DC]	[FL]	[GA]	[HI]	[ID]
[IL]	[IN]	[IA]	[KS]	[KY]	[LA]	[ME]	[MD]	[MA]	[MI]	[MN]	[MS]	[MO]
[MT]	[NE]	[NV]	[NH]	[NJ]	[NM]	[NY]	[NC]	[ND]	[OH]	[OK]	[OR]	[PA]
[RI]	[SC]	[SD]	[TN]	[TX]	[UT]	[VT]	[VA]	[WA]	[WV]	[WI]	[WY]	[PR]

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States) ☐ All States

[AL]	[AK]	[AZ]	[AR]	[CA]	[CO]	[CT]	[DE]	[DC]	[FL]	[GA]	[HI]	[ID]
[IL]	[IN]	[IA]	[KS]	[KY]	[LA]	[ME]	[MD]	[MA]	[MI]	[MN]	[MS]	[MO]
[MT]	[NE]	[NV]	[NH]	[NJ]	[NM]	[NY]	[NC]	[ND]	[OH]	[OK]	[OR]	[PA]
[RI]	[SC]	[SD]	[TN]	[TX]	[UT]	[VT]	[VA]	[WA]	[WV]	[WI]	[WY]	[PR]

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States) ☐ All States

[AL]	[AK]	[AZ]	[AR]	[CA]	[CO]	[CT]	[DE]	[DC]	[FL]	[GA]	[HI]	[ID]
[IL]	[IN]	[IA]	[KS]	[KY]	[LA]	[ME]	[MD]	[MA]	[MI]	[MN]	[MS]	[MO]
[MT]	[NE]	[NV]	[NH]	[NJ]	[NM]	[NY]	[NC]	[ND]	[OH]	[OK]	[OR]	[PA]
[RI]	[SC]	[SD]	[TN]	[TX]	[UT]	[VT]	[VA]	[WA]	[WV]	[WI]	[WY]	[PR]

(Use blank sheet, or copy and use additional copies of this sheet, as necessary)

* The minimum amount may be waived in the discretion of the placement agent and/or company.

1. Enter the aggregate offering price of securities included in this offering and the total amount already sold. Enter "0" if answer is "none" or "zero". If the transaction is an exchange offering, check this box ☐ and indicate the columns below the amounts of the securities offered for exchange and already exchanged.

Type of Security	UNITS, see Exhibit A	Aggregate Offering Price	Amount Already Sold
Debt		\$	\$
Equity		\$	\$
	☐ Common ☐ Preferred	\$	
Convertible Securities (including warrants)		\$	\$
Partnership Interests		\$	\$
Other		\$ 2,500,000	\$
Total		\$2,500,000	\$

Answer also in Appendix, Column 3, if filing under ULOE.

2. Enter the number of accredited and non-accredited investors who have purchased securities in this offering and the aggregate dollar amounts of their purchases. For offering under Rule 504, indicate the number of persons who have purchased securities and the aggregate dollar amount of their purchases on the total lines. Enter "0" if answer is "none" or "zero."

	Number Investors	Aggregate Dollar Amount of Purchases
Accredited Investors		\$
Non-accredited Investors	0	\$ 0
Total (for filings under Rule 504 only)		\$

Answer also in Appendix, Column 4, if filing under ULOE

3. If this filing is for an offering under Rule 504 or 505, enter the information requested for all securities sold by the issuer, to date, in offerings of the types indicated, in the twelve (12) months prior to the first sale of securities in this offering. Classify securities by type listed in Part C - Question 1.

Type of Offering <u>506</u>	Type of Security	Dollar Amount Sold
Rule 505		\$
Regulation A		\$
Rule 504		\$
Total		\$

- 4.a. Furnish a statement of all expenses in connection with the issuance and distribution of the securities in this offering. Exclude amounts relating solely to organization expenses of the issuer. The information may be given as subject to future contingencies. If the amount of the expenditure is not known, furnish an estimate and check the box to the left of the estimate.

Transfer Agent's Fees	☐	\$
Printing and Engraving Costs	☒	\$ 5,000.00
Legal Fees	☒	\$10,000.00
Accounting Fees	☐	\$
Engineering Fees	☐	\$
Sales Commissions (specify finders' fees separately) SEE EXHIBIT B	☒	\$ 0.00
Other Expenses (identify) Blue sky filing fees, miscellaneous expenses, etc.	☐	\$
Total	☒	\$ 15,000.00

* All Answers Assume the Maximum Offered

D. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS

- 4.b. Enter the difference between the aggregate offering price given in response to Part C - Question 1 and total expenses furnished in response to Part C - Question 4.a. This difference is the adjusted gross proceeds to the issuer \$ 2,485,000

Payments
to
Officers,
Directors
&
Affiliates
Offering
Price
Payments
to Others

Indicate below the amount of adjusted gross proceeds to the issuer used or proposed to be used for each of the purposes shown. If the amount for any purpose is not known, furnish an estimate and check the box to the left of the estimate. The total of the payments listed must equal the adjusted gross proceeds to the issuer set forth in response to Part C - Question 4.b. above.

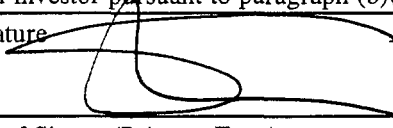
Salaries and fees	☒ \$200,000	☐ \$
Purchase of Real Estate	☐ \$	☐ \$
Purchase, rental or leasing and installation of machinery and equipment	☐ \$	☐ \$
Construction or leasing of plant buildings and facilities	☐ \$	☐ \$
Acquisition of other businesses (including the value of securities involved in this offering that may be used in exchange for the assets or securities of another issuer pursuant to a merger	☐ \$	☐ \$
Repayment of indebtedness	☐ \$	☐ \$
Working capital	☒ \$250,000	☐ \$
Other (specify): Motion Picture Production.	☐ \$	☒ \$2,035,000
Column Totals.	☐ \$	☐ \$
	☐ \$ 450,000	☒ \$2,035,000
		\$
		☐ \$
		\$

Total Payments Listed (column totals added) ☒ \$ 2,485,000

* All Answers Assume the Maximum Offered

E. FEDERAL SIGNATURE

Issuer has duly caused this notice to be signed by the undersigned duly authorized person. If this notice is filed under Rule 505, the signature constitutes an undertaking by the issuer to furnish the U.S. Securities and Exchange Commission, upon written request of its staff, the information furnished by the issuer to any non-accredited investor pursuant to paragraph (b)(2) of Rule 502.

Issuer (Print or Type) FAIRY TALE PARTNERS III LIMITED PARTNERSHIP	Signature 	Date November 3, 2004
Name (Print or Type) Steve Austin	Title of Signer (Print or Type) Sole Officer & Director of General Partner, Austin Family Entertainment	

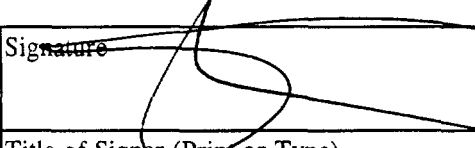
ATTENTION

Intentional misstatements or omissions of fact constitute federal criminal violations. (See 18 U.S.C. 1001)

F. STATE SIGNATURE

1. Is any party described in 17 CFR 230.262(c), (d), (e) or (f) presently subject to any of the disqualification provisions of such rule? ☐ Yes ☐ No
See Appendix, Column 5, for state response.
2. The undersigned issuer hereby undertakes to furnish to any state administrator of any state in which this notice is filed, a notice on Form D (17 CFR 239.500) at such times as required by state law.
3. The undersigned issuer hereby undertakes to furnish to the state administrators, upon written request, information furnished by issuer to offerees.
4. The undersigned issuer represents that the issuer is familiar with the conditions that must be satisfied to be entitled to the Uniform Limited Offering Exemption (ULOE) of the state in which this notice is filed and understands that the issuer claiming the availability of this exemption has the burden of establishing that these conditions have been satisfied.

The issuer has read this notification and knows the contents to be true and has duly caused this notice to be signed on its behalf by the undersigned duly authorized person.

Issuer (Print or Type) FAIRY TALE PARTNERS III LIMITED PARTNERSHIP	Signature 	Date November 3, 2004
Name (Print or Type) Steve Austin	Title of Signer (Print or Type) Sole Officer & Director of General Partner, Austin Family Entertainment	

Instruction:

Print the name and title of the signing representative under his signature for the state portion of this form. One copy of every notice on Form D must be manually signed. Any copies not manually signed must be photocopies of the manually signed copy or bear the type or printed signatures.

APPENDIX

1	2 Intend to sell to non-accredited investors in State (Part B-Item 1)		3 Type of Security and aggregate offering price offered in State (Part C-Item 1)	4 Type of investor and amount purchased in State (Part C-Item 2)				5 Disqualification under State ULOE (if yes, attach explanation of waiver granted) (Part E-Item 1)	
State	Yes	No	UNITS See Exhibit A	Number of Accredited Investors	Amount	Number of Non- Accredited Investors	Amount	Yes	No
AL									
AK									
AZ									
AR									
CA									
CO									
CT									
DE									
DC									
FL									
GA									
HI									
ID									
IL									
IN									
IA									
KS									
KY									
LA									
ME									
MD		X	2	2	50,000	—	—		X
MA									
MI									
MN									
MS									
MO									

APPENDIX

1	2		3	4				5	
	Intend to sell to non-accredited investors in State (Part B-Item 1)		Type of Security and aggregate offering price offered in State (Part C-Item 1)	Type of investor and amount purchased in State (Part C-Item 2)				Disqualification under State ULOE (if yes, attach explanation of waiver granted) (Part E-Item 1)	
State	Yes	No	UNITS See Exhibit A	Number of Accredited Investors	Amount	Number of Non-Accredited Investors	Amount	Yes	No
MT									
NE									
NV									
NH									
NJ									
NM									
NY									
NC									
ND									
OH									
OK									
OR									
PA									
RI									
SC									
SD									
TN									
TX									
UT									
VT									
VA									
WA									
WV									
WI									
WY									
PR									

EXHIBIT A

The partnership offered 100 Units of its limited partnership interests ("LP") at \$25,000 per Unit. A minimum investment of four (4) Units are required. A minimum investment of at least \$100,000 entitles the subscriber to 10% interest (per annum, non-compounded) on their investment from the date of the subscription to the date when they have been paid 100% recoupment, not to exceed a period of 24 months (a maximum of \$20,000 interest on a \$100,000 investment). Interest will accrue from the date of subscription and will not actually be paid until recoupment is completed for all limited partners, and then, as partnership cash flow allows (pursuant to the limited partnership agreement). Sales of the Units will be made only to "accredited investors" as such term is defined in Rule 501 of Regulation D promulgated under the Act who have a preexisting relationship to the limited partnership. Each subscriber of a Unit will be required to represent that the Units are being acquired for his own account, for investment and not with a view to resale or distribution.

EXHIBIT B

Fairy Tale Partners III LP **did not** engage any broker-dealer or investment banker to act as placement agent for the sale of the UNITS.