

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: DIRECT BUY VIDEO,)
A/K/A DIRECTBUYVIDEO.COM,)
ITS OFFICERS, DIRECTORS,)
EMPLOYEES, AGENTS, AFFILIATES,) File No. 0700302
SUCCESSORS AND ASSIGNS,)
)

ORDER TO CEASE AND DESIST

TO THE RESPONDENT: Direct Buy Video
118 North Archwyck Circle
The Woodlands, Texas 77382

Direct Buy Video
701 SW 62nd BLVD
FF-232
Gainesville, Florida 32607

Direct Buy Video
8902 Donley Drive
Oklahoma City, OK 73127

WHEREAS, a Summary Order to Cease and Desist was issued by the Secretary of State on October 5, 2007, ordering Direct Buy Video, a/k/a/ DirectBuyVideo.com, its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, to cease and desist from offering and/or selling any business opportunity in the State of Illinois until further order of the Secretary of State.

WHEREAS, pursuant to Section 5-65(1) of the Business Opportunity Sales Law of 1995, [815 ILCS 602 5/1 et seq.] (the "Act"), the failure to request a hearing within thirty (30) days of the receipt of the Summary Order to Cease and Desist shall constitute a sufficient basis to make the Summary Order final.

WHEREAS, Direct Buy Video, a/k/a/ DirectBuyVideo.com, its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, has failed to request a hearing on the matters contained in the Summary Order within thirty (30) days of receipt of said Summary Order and that they are hereby deemed to have admitted the facts alleged in the said Summary Order.

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WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the said Summary Order as the Secretary of State's Final Findings of Fact as follows:

1. That the Respondent, Direct Buy Video, a/k/a/ DirectBuyVideo.com (hereinafter, "Direct Buy Video"), is a purported business entity with last known addresses of 118 North Archwyck Circle, The Woodlands, Texas 77382, 701 SW 62nd BLVD, FF-232, Gainesville, Florida 32607; and 8902 Donley Drive, Oklahoma City, Oklahoma 73127;
2. That on or about November 8, 2006, Respondent Direct Buy Video, by and through its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, offered and/or sold to GB, an Illinois resident, an opportunity to purchase supplies, equipment or services purportedly sufficient to enable the Illinois resident to start a business, including, but not limited to, assistance in setting up a website, providing an "online management solution" which would enable GB to list his items on Amazon, Ebay and other marketplaces, providing one month unlimited counseling regarding the specific steps for GB to get started making money selling DVDs such as advertising techniques, pricing points, and selling online, assistance in providing and maintaining a web page which would list all products, providing 250 DVDs, and providing ongoing consulting and a private e-mail address to assist with questions regarding how to make money by selling wholesale DVDs, in return for total payments in the amount of \$2,995;
3. That on or about October 3, 2007, Direct Buy Video, by and through its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, offered and/or sold to at least one (1) resident of the State of Illinois, an opportunity to purchase supplies, equipment or services purportedly sufficient to enable the Illinois resident to start a business, including, but not limited to, providing assistance in building a website, providing a complete customer database, providing a list of video store sales/leasing companies, providing "online management solutions" that would allow the Illinois resident to manage his or her market places, track sales, and manage inventory, providing Respondent's personal contact information for questions relating to making

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money from the sale of DVDs, and providing one month unlimited consulting, in return for total payments in the amount of \$595.00;

4. That Direct Buy Video, by and through its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, represented to the Illinois resident, either directly or indirectly, that it would provide a marketing plan;
5. That Section 5-5.10(a) of the Illinois Business Opportunity Sales Law of 1995, [815 ILCS 602 5-1 et seq.] (the "Act") provides, inter alia, that a business opportunity is a contract or agreement, between a seller and a purchaser, express or implied, orally or in writing, wherein it is agreed that the seller or a person recommended by the seller shall provide to the purchaser any product, equipment, supplies or services enabling the purchaser to start a business when the purchaser is required to make a payment to the seller or a person recommended by the seller and the seller represents directly or indirectly, orally or in writing, that the seller will provide a marketing plan;
6. That the above-referenced promotion, solicitation or offer constitutes an offer and/or sale of a business opportunity as those terms are defined pursuant to Sections 5-5.10 and 5-5.20 of the Act;
7. That Section 5-25 of the Act provides, inter alia, that it is unlawful for any person to offer or sell any business opportunity in the State of Illinois unless that business opportunity is registered under the Act or is exempt from registration under Section 5-10 of the Act;
8. That Section 5-95 (b) (1) of the Act provides, inter alia, that no person shall, either directly or indirectly, offer or sell any business opportunity without registration under this Act unless the person offering or selling the opportunity is exempt under the Act;
9. That at all times relevant, Respondent Direct Buy Video, by and through its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, failed to obtain or file for registration of the above-referenced business opportunity prior to any offer or sale in the State of Illinois;

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10. That Section 5-65 of the Act provided, inter alia, that if the Respondent to a Summary Order to Cease and Desist fails to request a hearing within time period specified, the cease and desist order will be permanent and the person named in the order will be deemed to have waived all rights to a hearing;

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Conclusions of Law contained in the said Summary Order as the Secretary of State's final Conclusions of Law as follows:

1. That, by virtue of the foregoing, Respondent Direct Buy Video, by and through its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, has violated Section 5-25, and 5-95 (b) (1) of the Act;
2. That, by virtue of the foregoing, Respondent Direct Buy Video, by and through its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, is subject, pursuant to Section 5-65 of the Act, to an Order to Cease and Desist from offering and/or selling business opportunities in the State of Illinois.

NOW THEREFORE, IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 5-65 of the Act, Respondent Direct Buy Video, by and through its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, is to Cease and Desist from offering or selling business opportunities in the State of Illinois or to residents of the State of Illinois.

ENTERED: This 21st day of November, 2007.



JESSE WHITE
SECRETARY OF STATE
STATE OF ILLINOIS

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Attorney for the Secretary of State:
Johan Schripsema
Illinois Securities Department
350 Seright, Suite C
Harrisburg, Illinois 62946

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 5-115(a) of the Business Opportunity Law of 1995 [815 ILCS 602] (the "Act"). Any person or entity that 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 3 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