

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

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

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SUMMARY ORDER TO CEASE AND DESIST

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

Direct Buy Video  
701 SW 62<sup>nd</sup> BLVD  
FF-232  
Gainesville, Florida 32607

Direct Buy Video  
8902 Donley Drive  
Oklahoma City, OK 73127

On information and belief, I, Jesse White, Secretary of State, for the State of Illinois, through my designated representative, having been fully apprised in the premises by the staff of the Illinois Securities Department, Office of the Secretary of State, herein find:

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 62<sup>nd</sup> 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

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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 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

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- 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;
  10. That by virtue of the foregoing, Respondent Direct Buy Video, by and through its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, has violated Sections 5-25 and 5-95(b) (1) of the Act;
  11. That Section 5-65 of the Act provides, inter alia, that whenever it appears to the Secretary of State that any person has engaged or is about to engage in any act or practice constituting a violation of the Act, the Secretary of State may issue an Order directing such person to cease and desist from engaging in any act or practice constituting a violation of any provision of the Act;
  12. That based upon the foregoing, the Secretary of State hereby deems it necessary, in order to prevent Respondent Direct Buy Video, by and through its Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, from engaging in any act or practice in violation of the Act, to enter a Summary Order to Cease and Desist

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pursuant to the authority provided under Section 5-65 of the Act; and

13. That based upon the foregoing, the Secretary of State has determined that the issuance of a Summary Order to Cease and Desist is in the public interest and is consistent with the purposes of the Act.

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

NOTICE is hereby given that the Respondents may request a hearing on this matter by transmitting such request in writing to Securities Director, Illinois Securities Department, 300 West Jefferson, Suite 300A, Springfield, Illinois 62702. Such request must be made within thirty (30) days of the entry of this Summary Order to Cease and Desist. Upon receipt of a request for hearing, a hearing will be scheduled. Request for hearing will not stop the effectiveness of this Summary Order to Cease and Desist.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) DAYS AFTER ENTRY OF THIS SUMMARY ORDER TO CEASE AND DESIST SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND CONSTITUTES SUFFICIENT BASIS TO MAKE THE CEASE AND DESIST ORDER FINAL.

ENTERED: This 5<sup>th</sup> day of October, 2007



JESSE WHITE  
Secretary of State  
State of Illinois

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Attorney for the Secretary of State:  
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