

1 5. In connection with the offer or sale of securities, Media One and Overton failed to
2 disclose the following:

3 a. In March 2004, the State of California Franchise Tax Board recorded a Notice
4 of State Tax Lien against Overton for unpaid taxes, penalties, and interest in the amount of
5 \$97,621.33 for the tax year 2000;

6 b. In May 2004, the Wisconsin Department of Financial Institutions, Division of
7 Securities, issued an Order of Prohibition and Revocation against Overton based on allegations that
8 Overton offered or sold unregistered securities in Wisconsin, Overton made such offers or sales
9 without first obtaining a license, and Overton failed to disclose material facts in connection with the
10 offer and sale of such securities that were necessary in order to make statements made, in light of the
11 circumstances under which they were made, not misleading;

12 c. In February 2003, a group of investors filed a civil complaint against Overton,
13 among others, in the Superior Court of King County, Washington. The plaintiffs alleged that
14 Overton committed fraud, negligent misrepresentation, and violated the Washington State Securities
15 Law in connection with an offer and/or sale of securities. In November 2003, the plaintiffs obtained
16 a default judgment against Overton and others for \$405,851.27.

17 d. In March 2011, the State of California Franchise Tax Board recorded a Notice
18 of State Tax Lien against Overton reflecting unpaid taxes, penalties, and interest in the amount of
19 \$159,256.26 for the tax years 2000 and 2003;

20 6. The Department of Business Oversight has not issued a permit or other form of
21 qualification authorizing any person to offer or sell these securities in this state.

22 7. Media One and Overton, each individually and by and through their agents and/or
23 representatives, offered or sold securities to prospective investors in California by means of
24 unsolicited telephone communications with whom they had no prior business or personal
25 relationship.

26 Based upon the foregoing findings, the California Commissioner of Business Oversight is of
27 the opinion that the convertible debentures and limited liability interests of Media One Direct, LLC
28 are securities subject to qualification under the California Corporate Securities Law of 1968 (Corp.

1 Code, § 25000 et seq.) and are being or have been offered or sold without being qualified in violation
2 of Corporations Code section 25110. Pursuant to section 25532 of the Corporations Code, Media
3 One Direct, LLC and Charles Overton are hereby ordered to desist and refrain from the further offer
4 or sale in the State of California of securities, including but not limited to convertible debentures and
5 limited liability interests, unless and until qualification has been made under the law or unless
6 exempt.

7 In addition, the California Commissioner of Business Oversight is of the opinion that the
8 securities of Media One Direct, LLC were offered or sold in this state by means of written or oral
9 communications which included an untrue statement of a material fact or omitted to state a material
10 fact necessary in order to make the statements made, in the light of the circumstances under which
11 they were made, not misleading, in violation of section 25401 of the Corporations Code. Pursuant to
12 section 25532 of the Corporations Code, Media One Direct, LLC and Charles Overton are hereby
13 ordered to desist and refrain from offering or selling or buying or offering to buy any security in the
14 State of California, including but not limited to convertible debentures and limited liability interests,
15 by means of any written or oral communication which includes an untrue statement of a material fact
16 or omits to state a material fact necessary in order to make the statements made, in the light of the
17 circumstances under which they were made, not misleading.

18 Pursuant to Corporations Code section 25403, any person who controls or induces another
19 person to violate a provision of the Corporate Securities Law of 1968, or any person who provides
20 substantial assistance to another person in the violation of the Corporate Securities Law of 1968, shall
21 be liable for the violation.

22 This Order is necessary, in the public interest, for the protection of investors and consistent
23 with the purposes, policies and provisions of the Corporate Securities Law of 1968.

24 Dated: January 30, 2015
25 San Diego, California

JAN LYNN OWEN
Commissioner of Business Oversight

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By _____
MARY ANN SMITH
Deputy Commissioner
Enforcement Division