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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: Terrance D. Murphy a.k.a. Terry Murphy
Greg Clark a.k.a. Zack Clark
MPDigital Corporation
25381 Alicia Parkway, #181
Laguna Hills, CA 92653

DESIST AND REFRAIN ORDER
(For violations of section 25110 of the Corporations Code)

The California Corporations Commissioner finds that:

1. At all relevant times, Terrance D. Murphy also known as Terry Murphy was the secretary of MPDigital Corporations.
2. At all relevant times, Greg Clark also known as Zack Clark was the president and chief operations officer of MPDigital Corporation.
3. At all relevant times MPDigital Corporation conducted business at 25381 Alicia Parkway, #181, Laguna Hills, CA 92653. MPDigital Corporation purportedly was in the telecommunications business.
4. Beginning at least in or around August 2002, Terrance D. Murphy also known as Terry Murphy, Greg Clark also known as Zack Clark and MPDigital Corporation offered or sold securities in the form of common stock and notes of MPDigital Corporation.
5. The purported purpose of the offering was to enhance MPDigital Corporation’s liquid assets.
6. These securities were offered or sold in this state in issuer transactions. The Department of Corporations has not issued a permit or other form of qualification authorizing any person to offer or sell these securities in this state.

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Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that the notes and common stock of MPDigital Corporation are securities subject to qualification under the California Corporate Securities Law of 1968 and are being or have been offered or sold without being qualified in violation of Corporations Code section 25110. Pursuant to Section 25532 of the Corporate Securities Law of 1968, Terrance D. Murphy also known as Terry Murphy, Greg Clark also known as Zack Clark and MPDigital Corporation are hereby ordered to desist and refrain from the further offer or sale in the State of California of securities in the form of notes and stock unless and until qualification has been made under the law or unless exempt. This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

Dated: February 1, 2005
Los Angeles, California

WILLIAM P. WOOD
California Corporations Commissioner

By _____
ALAN S. WEINGER
Supervising Counsel
Enforcement and Legal Services Division