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

**TO: The MedWell Group, Inc.**  
**James R. Coburn**  
**John P. Matias**  
2801 Townsgate Road, Suite 121  
Westlake Village, CA 91361

**DESIST AND REFRAIN ORDER**

**(For violations of section 25401 of the Corporations Code)**

The California Corporations Commissioner finds that:

1. The MedWell Group, Inc. (“MedWell”) was a California corporation located at 2801 Townsgate Road, suite 121, Westlake Village, California 91361. MedWell’s status has been suspended in California as of August 8, 2005.
2. At all relevant times herein, James R. Coburn (“Coburn”) was the president and managed and controlled MedWell.
3. At all relevant times herein, John P. Matias (“Matias”) was a sales agent of MedWell and managed and controlled MedWell.
4. Beginning at least as early as 2002, MedWell, Coburn and Matias offered and sold securities in the form of notes and shares of common stock. The purported purpose of the offering was to develop product concepts and pricing models related to enhanced online doctor/patient communications.
5. The notes and shares of common stock are securities pursuant to California Corporations Code section 25019.
6. These securities were offered or sold in this state in issuer transactions.
7. In connection with the offer and sale of these securities, MedWell, Coburn and Matias omitted to state material facts necessary in order to make the statements made, in the light of the

1 circumstances under which they were made, not misleading. These omissions included, but are not  
2 limited to the following:

3 a. In August 1996, the Securities and Exchange Commission filed a complaint for offering  
4 and selling unregistered securities, in the form of investment contracts, through the use of materially  
5 false and misleading statements and omissions. A final judgment of permanent injunction was  
6 entered against James R. Coburn. It was further ordered that James R. Coburn pay disgorgement in  
7 the amount of \$315,000.00;

8 b. In November 2006, the Securities Commissioner of Maryland issued an Order against  
9 James R. Coburn and John P. Matias to cease and desist from offering and selling unregistered  
10 securities, making material omissions and misrepresentations in connection with the offer and sale of  
11 securities, and transacting business in the offer and sale of securities in Maryland as a broker-dealer  
12 or securities agent.

13 Based upon the foregoing, the California Corporations Commissioner is of the opinion that  
14 the securities issued by the MedWell Group, Inc., James R. Coburn and John P. Matias were offered  
15 and sold in this state by means of written or oral communications which omitted to state material  
16 facts necessary in order to make the statements made, in the light of the circumstances under which  
17 they were made, not misleading, in violation of section 25401 of the Corporate Securities Law of  
18 1968.

19 Pursuant to section 25532 of the Corporate Securities Law of 1968, the MedWell Group, Inc.,  
20 James R. Coburn and John P. Matias are hereby ordered to desist and refrain from offering or selling  
21 or buying or offering to buy any security in the State of California, including but not limited to, notes  
22 and shares of common stock, by means of any written or oral communication which omits to state a  
23 material fact necessary in order to make the statements made, in the light of the circumstances under  
24 which they were made, not misleading.

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

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Dated: June 16, 2008  
Los Angeles, California

PRESTON DuFAUCHARD  
California Corporations Commissioner

By \_\_\_\_\_  
ALAN S. WEINGER  
Lead Corporations Counsel  
Enforcement Division