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

TO: Chris Ponish  
Applied Digital Technologies, Inc.  
2150 South 1300 East, Suite 500  
Salt Lake City, UT 84106  
and  
www.apdtx.com

**DESIST AND REFRAIN ORDER**  
**(For violations of section 25102.1(d) of the Corporations Code)**

The California Corporations Commissioner finds that:

1. At all relevant times, Applied Digital Technologies, Inc. (“Applied Digital”), is and was a Delaware corporation, incorporated on September 06, 2006. Applied Digital maintains a website at www.apdtx.com. Applied Digital purportedly maintains a business address at 2150 South 1300 East, Suite 500, Salt Lake City, UT 84106.

2. At all relevant times, Chris Ponish (“Ponish”) was president and a control person of Applied Digital.

3. Beginning in or about 2008, Applied Digital and Ponish offered or sold securities in the form of convertible debentures, warrants and stock to residents of California and elsewhere.

4. 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.

5. On or about September 25, 2008, Applied Digital filed a Form D exemption notice, in reliance on Rule 506, claiming an exemption from securities registration, with the United States Securities and Exchange Commission. The Form D exemption notice did not express an intention to sell securities to investors residing in California. Further, Applied Digital and Ponish failed to file a Form D exemption

