

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

**TO: Les Thomas, President and CEO
Stacey Thomas, Vice-President and CFO
You-Know-Now.com, Inc.
4371 Tuolumne Place
Carlsbad, CA 92008**

DESIST AND REFRAIN ORDER

The California Corporations Commissioner finds that:

1. At all relevant times, Les Thomas was, and continues to be, President of and CEO of “You-Know-Now.com, Inc.” (“YKN, Inc.”), a California corporation, located at 4371 Tuolumne Place, Carlsbad, CA 92008.
2. At all relevant times, Stacey Thomas was, and continues to be, Vice-President and CFO of YKN, Inc.
3. Beginning in or about August 2001, Les Thomas, Stacey Thomas and YKN, Inc. began to advertise investment opportunities with YKN, Inc. by means of Internet classified advertisements.
4. Les Thomas and Stacey Thomas advertise that YKN, Inc.’s primary function as a company is to sell private extended parts and labor automotive warranties to consumers. The money contributed by investors was going to be used primarily for television air time to promote YKN, Inc.’s company and website to consumers.
5. Beginning in or about September 2001, Les Thomas, Stacey Thomas and YKN, Inc. advertised investment opportunities with YKN, Inc. in various newspapers throughout the United States, including but not limited to, USA Today, The Wall Street Journal and the San Diego Union Tribune.
6. As late as November 2001 the YKN, Inc.’s Internet website (located at <http://www.you-know-now.com>), advertised investment opportunities where they claimed investors “*can realistically look forward to turning a \$10,000 investment into (gulp) \$400,000!*” and was available to only California residents.
7. These securities were offered and 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 and sell these securities in this State.

Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that the investment contracts offered and sold by Les Thomas, Stacey Thomas and YKN, Inc. 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 Section 25110 of the Corporate Securities Law of 1968.

Pursuant to Section 25532 of the Corporate Securities Law of 1968, Les Thomas, Stacey Thomas and You-Know-Now.com, Inc. offered or sold securities and are hereby ordered to desist and refrain from the further offer or sale in the State of California of securities, including but not limited to investment contracts, unless and until qualification has been made under said law or unless exempt. The sale of such securities are subject to qualification under said law and such securities are being or have been offered for sale without first being so qualified.

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 6, 2002
Los Angeles, California

DEMETRIOS A. BOUTRIS
California Corporations Commissioner

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