



1           d.       Investors were not told that any return of their investment money would not be  
2 from any investment returns or revenues from any real estate or other business venture;

3           e.       Investors were not told that Messina was using investor money for his own  
4 personal use, including at casinos; and

5           f.       Investors were either told that Messina and Channel were licensed to solicit  
6 investments or were not told that they did not possess the required licenses to solicit investments.

7           Based on the foregoing findings, the California Corporations Commissioner is of the opinion  
8 that the securities in the form of investment contracts and promissory notes offered and sold by  
9 Messina and Channel are securities subject to qualification under the California Corporate Securities  
10 Law of 1968 and are being or have been offered or sold without being qualified, in violation of  
11 Section 25110 of the Corporate Securities Law of 1968.

12           Pursuant to Section 25532 of the Corporate Securities Law of 1968, James F. Messina and  
13 Channel Investments are hereby ordered to desist and refrain from the further offer or sale in the State  
14 of California of securities, including, but not limited to investment contracts and promissory notes  
15 unless and until qualification has been made under said law or unless exempt. The sale of such  
16 securities is subject to qualification under said law and such securities are being or have been offered  
17 for sale without first being so qualified.

18           Further, the California Corporations Commissioner is of the opinion that the securities offered  
19 and sold by Messina and Channel were offered and sold in this state by means of written or oral  
20 communications that included untrue statements of material fact or omitted to state material facts  
21 necessary in order to make the statements made, in the light of the circumstances under which they  
22 were made, not misleading, in violation of section 25401 of the Corporate Securities Law of 1968.

23           Pursuant to Section 25532 of the Corporate Securities Law of 1968, James F. Messina and  
24 Channel Investments are hereby ordered to desist and refrain from offering or selling or buying or  
25 offering to buy any security in the State of California, including, but not limited to, investment  
26 contracts and promissory notes, by means of any written or oral communication which includes an  
27 untrue statement of a material fact or omits to state a material fact necessary in order to make the  
28 statements made, in the light of the circumstances under which they were made, not misleading.

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

3 Dated:           May 3, 2006  
4                   Los Angeles, California

5                                   WAYNE STRUMPFER  
6                                   Acting California Corporations Commissioner

7                                   By \_\_\_\_\_  
8                                   ALAN S. WEINGER  
9                                   Acting Deputy Commissioner  
10                                  Enforcement Division

11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28