

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: BIKINI VENDING, INC.,)
A/K/A 360 WIRESLSS, INC.,)
NETWORK SERVICES DEPOT, INC.,)
THEIR OFFICERS, DIRECTORS,)
EMPLOYEES, AFFILIATES, SUCCESSORS,) File No. 0400211
AGENTS AND ASSIGNS,)
CHARLES V. CASTRO,)
EDWARD BEVILACQUA,)
AND JAMES MURDOCK)

NOTICE OF HEARING

TO THE RESPONDENTS:

Charles V. Castro
Network Services Depot, Inc.
C/O Jeffrey S. Benice
Attorney at Law
650 Town Center Drive
Suite 1300
Costa Mesa, California 92626

Network Services Depot, Inc.
C/O Marc C. Forsythe
Goe and Forsythe
660 Newport Center Drive
Suite 320
Newport Beach, California 92660

Edward Bevilacqua
Bikini Vending, Inc., a/k/a 360 Wireless
1370 San Marcos Blvd.
San Marcos, California 92069

James Murdock
1681 Knox Road 1550N
Dahinda, Illinois 61428

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953, [815 ILCS 5/1 et seq.] (the "Act") and 14 Ill. Adm. Code 130, Subpart K, a public hearing will be held at 300 West Jefferson Street, Suite 300A, Springfield, Illinois 62702, on the 21st day of September, 2005 at the hour of 10:00 a.m., or as soon thereafter as counsel may be heard, before Jon K. Ellis, or such other duly designated Hearing Officer of the Secretary of State.

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Said hearing will be held to determine whether an Order of Prohibition should be entered against Bikini Vending, Inc., a/k/a 360 Wireless, Inc., Network Services Depot, Inc., their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, including Charles V. Castro, Edward Bevilacqua and James Murdock (the "Respondents") in the State of Illinois and granting such other relief as may be authorized under the Act including but not limited to imposition of a monetary fine in the maximum amount pursuant to Section 11 of the Act, payable within ten (10) days of the entry of the Order.

The grounds for such proposed action are as follows:

Count I (Violation of 12.A and 12.D)

1. That Respondent, Network Services Depot, Inc., (hereinafter "Network Services"), is a purported business entity, with a last known address of 3000 East Birch Street, Suite 105, Brea, California 92821;
2. That Respondent, Bikini Vending Inc., a/k/a 360 Wireless (hereinafter, "Bikini Vending"), is a purported business entity, with a last known address of 1370 West San Marcos Blvd., San Marcos, California 92069;
3. That at all times relevant, the Respondent, Charles V. Castro was the President of Network Services;
4. That at all times relevant, the Respondent, Edward Bevilacqua was an Officer, Director, Agent or Employee of Bikini Vending and the President of 360 Wireless;
5. That at all times relevant, the Respondent, James Murdock, was an Officer, Director, Agent or Employee of Network Services;
6. That on or about February 10, 2003, Respondents Network Services, Bikini Vending, their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, including Charles V. Castro, Edward Bevilacqua and James Murdock, offered and sold to HR, an Illinois Resident, 18 internet kiosks, as well as a service and management agreement for said kiosks, for an investment of \$99,000 at \$5,500 per kiosk; in return for said investment, Respondent Network Services would provide purported locations for said

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kiosks, Bikini Vending would purportedly service and manage said kiosks, and BK would receive a monthly deposit in his bank account representing the purported income/commission derived from all of the aforesaid 18 kiosks he had purportedly purchased;

7. That Network Services was the sole client of Bikini Vending;
8. That HR was given no choice by Network Services other than Bikini Vending to manage and service said kiosks;
9. That each of the above referenced kiosk agreements is an investment plan and therefore a security as that term is defined pursuant to Section 2.1. of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act");
10. That Section 5 of the Act provides, inter alia, that all securities except those exempt under Section 3 of the Act or those offered and sold in transactions exempt under Section 4 of the Act shall be registered with the Secretary of State prior to their offer or sale in the State of Illinois;
11. That Section 12.A of the Act provides, inter alia, that it shall be a violation of the Act for any person to offer or sell securities except in accordance with the provisions of the Act;
12. That Section 12.D of the Act provides, inter alia, that it shall be a violation of the Act for any person to fail to file with the Secretary of State any document or application required to be filed under the provision of the Act;
13. That at all times relevant hereto, Respondents Network Services, Bikini Vending, their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, including Charles V. Castro, Edward Bevilacqua and James Murdock failed to file an application for registration of the above-referenced securities with the Secretary of State prior to their offer or sale in the State of Illinois;
14. That by virtue of the foregoing, Respondents Network Services, Bikini Vending, their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, including Charles V. Castro, Edward Bevilacqua and James Murdock have violated Sections 12.A and Section 12.D of the Act;

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15. That Section 11.E.(3) of the Act provides, inter alia, that if the Secretary of State shall find that any person is engaging or has engaged in the business of selling or offering for sale securities as a dealer or salesperson without prior thereto and at the time thereof having complied with the registration or notice filing requirements of this Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State;
16. That Section 11.E(4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act, as well as the costs of investigation and reasonable expenses;
17. That by virtue of the foregoing, the Respondents Network Services, Bikini Vending, their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, including Charles V. Castro, Edward Bevilacqua and James Murdock, are subject to a fine of up to \$ 10,000.00 per violation, costs of investigation, reasonable expenses, an order of censure, and an order which permanently prohibits the Respondents from offering or selling securities in the State of Illinois.

Count II (Violation of 12.G)

- 1-9. Paragraphs 1-9 of Count I are re-alleged and incorporated as paragraphs 1-9 of this Count II;
10. That during the time period between June 1, 2003 and February 29, 2004, HR received monthly deposits in his bank account from Respondents Network Services and/or Bikini Services in the amount of \$990 which purportedly represented the commission derived from the purported use of all of the 18 kiosks which were purportedly located at the 18 locations supplied to HR by Network Services and purportedly managed and serviced by Bikini Vending;
11. That, in fact, no kiosks were ever placed in 16 of the aforementioned 18 kiosks locations supplied to HR by Network Services and/or purportedly serviced and managed by Bikini Vending;

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12. That since the month of February, 2004, and up to the present date, HR received no further deposits in his bank account from Respondents Network Services and/or Bikini Vending;
13. That Section 12.G of the Act provides, inter alia, that it shall be a violation of the Act for any person to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading;
14. That at all times relevant hereto, Respondents Network Services, Bikini Vending, their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, including Charles V. Castro and Edward Bevilacqua obtained money or property from HR, an Illinois resident, by means of an untrue statement of material fact or an omission to state a material fact by representing to HR that his investment was to be used to purchase 18 internet kiosks, that said kiosks would be placed in 18 locations, and that the money he would be receiving was derived from the proceeds of all 18 kiosks, when in fact, 16 of the 18 kiosks never existed and were never placed in the locations supplied by Network Services nor managed and serviced by Bikini Vending; that as of the month of February, 2004, the monthly payments have stopped without notice and HR has received no further return on his investment;
15. That by virtue of the foregoing, Respondents Network Services, Bikini Vending, their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, including Charles V. Castro and Edward Bevilacqua have violated Sections 12.G of the Act;
16. That Section 11.E(2) of the Act provides, inter alia, that if the Secretary of State shall find that any person has violated subsection G of Section 12 of the Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State;
17. That Section 11.E(4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided

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by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act, as well as the costs of investigation and reasonable expenses;

18. That by virtue of the foregoing, the Respondents Network Services, Bikini Vending, their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, including Charles V. Castro and Edward Bevilacqua are subject to a fine of up to \$ 10,000.00 per violation, costs of investigation, reasonable expenses, an order of censure and an order which permanently prohibits the Respondent from offering or selling securities in the State of Illinois.

Count III (Violation of 12.I)

1-12. Paragraphs 1-12 of Count II are re-alleged and incorporated as paragraphs 1-12 of this Count III;

13. That Section 12.I of the Act provides, inter alia, that it shall be a violation of the Act for any person to employ any device, scheme or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly;

14. That at all times relevant hereto, Respondents Network Services, Bikini Vending, their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, including Charles V. Castro and Edward Bevilacqua employed a scheme to defraud in connection with the sale or purchase of a security by purporting to sell to HR, as well as locate and manage for HR, 18 internet kiosks, and that HR would receive monthly commissions from the proceeds of all 18 kiosks; that up until February, 2004, HR in fact received monthly deposits in his bank account purportedly representing commission from all 18 kiosks, when in fact 16 of said 18 kiosks never existed and were never placed in the locations supplied by Respondent Network Services nor managed and serviced by Bikini Vending; that as of the month of February, 2004, the aforesaid monthly payments have stopped without notice and HR has received no further return on his investment;

15. That by virtue of the foregoing, Respondents Network Services, Bikini Vending, their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns,

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including Charles V. Castro and Edward Bevilacqua have violated Sections 12.I of the Act;

16. That Section 11.E(2) of the Act provides, inter alia, that if the Secretary of State shall find that any person has violated subsection I of Section 12 of the Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State;
17. That Section 11.E(4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act, as well as the costs of investigation and reasonable expenses;
18. That by virtue of the foregoing, the Respondents Network Services, Bikini Vending, their Officers, Directors, Employees, Agents, Affiliates, Successors and Assigns, including Charles V. Castro and Edward Bevilacqua are subject to a fine of up to \$ 10,000.00 per violation, costs of investigation, reasonable expenses, an order of censure and an order which permanently prohibits the Respondent from offering or selling securities in the State of Illinois.

You are further notified that you are required pursuant to Section 130.1104 of the Rules and Regulations (14 Ill. Adm. Code 130) (the "Rules"), to file an answer to the allegations outlined above or a Special Appearance pursuant to Section 130.1107 of the Rules, or other responsive pleading within thirty days of the receipt of this notice. Your failure to do so within the prescribed time shall be deemed an admission of the allegations contained in the Notice of Hearing and waives your right to a hearing.

Furthermore, you may be represented by legal counsel; may present evidence; may cross-examine witnesses and otherwise participate. A failure to so appear shall constitute default.

Delivery of notice to the designated representative of any Respondent constitutes service upon such Respondents.

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Dated this 26th day of July, 2005.

 

Jesse White
Secretary of State
State of Illinois

Attorney for the Secretary of State:

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