

BEFORE THE SECURITIES COMMISSIONER
OF THE STATE OF KANSAS



In the Matter of:

Quantized, Inc.,
Brandon S. Skyler

Docket No. 15 E 003
KSC No. 2014-6239

and their representatives and agents,

Respondents.

_____/
Pursuant to K.S.A. 17-12a604

**ORDER TO CEASE AND DESIST AND NOTICE OF INTENT TO IMPOSE
ADMINISTRATIVE SANCTIONS**

Staff for the Office of the Kansas Securities Commissioner (“KSC Staff”) alleges that Respondents have committed a violation of the Kansas Uniform Securities Act and that the issuance of an Order to Cease and Desist and the imposition of administrative sanctions pursuant to K.S.A 17-12a604 are in the public interest.

Based on the allegations of KSC Staff as set forth below, the Securities Commissioner of the State of Kansas (the “Commissioner”) issues this Order to Cease and Desist and Notice of Intent to Impose Administrative Sanctions.

If Respondents wish to contest the allegations of the KSC Staff and the Findings of Fact, Conclusions of Law and Order set forth herein, Respondents must file a request for hearing within thirty (30) days after service of this Order. The request for hearing must be in the manner and form prescribed by K.A.R. 81-11-5, and it must be filed with the Office of the Securities Commissioner of Kansas, 109 SW 9th Street, Suite 600, Topeka, Kansas 66612.

The request for hearing must be verified under oath by Respondents and, if Respondents dispute any of the allegations of the KSC Staff, Respondents shall specifically deny the allegations or they will be deemed admitted. In addition, Respondents may offer evidence and argument to mitigate the facts set forth herein. If facts are properly disputed, the matter will be set for hearing. **If no request for hearing is filed within thirty (30) days after service of this Order, the Commissioner will issue a Final Order, Findings of Fact and Conclusions of Law. The Final Order may impose administrative sanctions, including but not limited to civil penalties, disgorgement and restitution.**

FINDINGS OF FACT

1. Respondent Quantized, Inc. ("Quantized") is a Nevada corporation organized on April 3, 2001 and located at 20501 Ventura Blvd., Ste. 244, Woodland Hills, California.
2. Respondent Brandon Skyler ("Skyler") is an individual residing in Los Angeles County, California and is Quantized's Chief Executive Officer, Treasurer, Director, and Secretary.
3. Sometime in May of 2014, Kansas resident ("KR1") received an unsolicited call from an unknown person promoting an investment in securities issued by Quantized. The caller asked whether KR1 would like to receive more information about this investment, indicating to KR1 that the discussed securities were registered at the federal level.
4. In the days immediately following the phone call, KR1 received a package through the mail promoting an investment in Quantized. Included within was a promissory note and warrant certificate, both of which were issued by Quantized. The package also contained a blank contract to purchase the aforementioned note and warrants.
5. Skyler confirmed to KSC Staff that the promotional documentation KR1 received was the same kind of packaging the company sends to potential investors. Additionally, the

mailing included Skyler's business card. Skyler confirmed that Respondents had sent items to an individual residing in the same city as KR1 during the same time frame as when KR1 reported receiving the aforementioned materials.

6. As stated in the materials received by KR1, the notes offered by Quantized would bear interest at a rate of ten percent (10%) per year. The holder of a note could convert the security into a pre-determined amount of the company's common stock at a set price. The notes were offered with warrants attached granting the holder of a note the option to purchase additional shares at a discounted price.
7. Both the purchase agreement and the note itself state that these securities offered by Quantized have not been registered under the Securities Act of 1933 nor under the securities laws of any State.
8. A check of the records maintained by the Office of the Kansas Securities Commissioner confirms that there was no registration, granted exemption, or notice filing indicating status as federal covered securities for the securities offered by Quantized.
9. A check of the records maintained by the Office of the Kansas Securities Commissioner confirmed that Skyler was not registered as an agent at the time of the offering to KR1.
10. KR1 did not have a preexisting relationship with the issuer or with Skyler, nor does KR1 meet the definition of an accredited investor under SEC Rule 501(a)(5), (6).
11. KR1 ultimately did not purchase the securities offered by Quantized.

CONCLUSIONS OF LAW

Violation of Offering an Unregistered, Non-Exempt Security

12. Paragraphs 1 through 11 are incorporated by reference as though fully set forth herein.
13. In violation of K.S.A. 17-12a301, Respondents offered securities, to wit: the promissory

note and attached warrants offered to KR1, without the securities being registered with the Office of the Kansas Securities Commissioner, exempt from registration, or federal covered securities.

Failure to Register as an Agent

14. Paragraphs 1 through 11 are incorporated by reference as though fully set forth herein.
15. In violation of K.S.A. 17-12a402(a), Respondent Skyler unlawfully attempted to effectuate the sale of an issuer's security without first being registered as an agent or exempt from registration.

Unlawful Employment or Association with an Agent

16. Paragraphs 1 through 11 are incorporated by reference as though fully set forth herein.
17. In violation of K.S.A. 17-12a402(d), Respondent Quantized unlawfully employed or associated with Respondent Skyler who acted as an agent by attempting to effectuate the sale of securities issued by Quantized without first being registered as an agent or exempt from registration.

ORDER

WHEREFORE, it is hereby Ordered that Respondents, their agents, employees and servants, and all other persons participating in or about to participate in the above-described violations with knowledge of this Order are prohibited from:

- A. violating or materially aiding in any violation of K.S.A. 17-12a301 by offering or selling any securities as defined by K.S.A. 17-12a-102(28), in the State of Kansas unless those securities are registered in accordance with the provisions of K.S.A. 17-12a301; and

- B. violating or materially aiding in any violation of K.S.A. 17-12a402(a) by unlawfully acting as an agent of an issuer without first being registered as an agent or exempt from registration; and
- C. violating or materially aiding in any violation of K.S.A. 17-12a402(d) by unlawfully employing or associating with an unregistered or non-exempt agent who offers securities on behalf of an issuer.

ENTERED BY THE COMMISSIONER at Topeka, Kansas, this 2nd day of ^{December} ~~November~~, 2014.



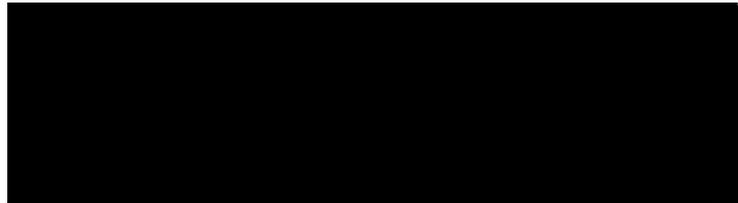
Joshua A. Ney
Kansas Securities Commissioner

Certificate of Service

On this 2nd day of December, 2014, I was provided a copy of the aforementioned process on behalf of the Office of the Securities Commissioner. I promptly sent notice of the process to the address below, being the last known address obtained by the agency. The process was sent via certified mail, receipt requested to:

Quantized, Inc.
20501 Ventura Blvd., Ste. 244
Woodland Hills, CA 95564

Brandon Skyler
20501 Ventura Blvd., Ste. 244
Woodland Hills, CA 95564



[Handwritten Signature]
Ryan A. Kriegshauser
Special Counsel to the Commissioner