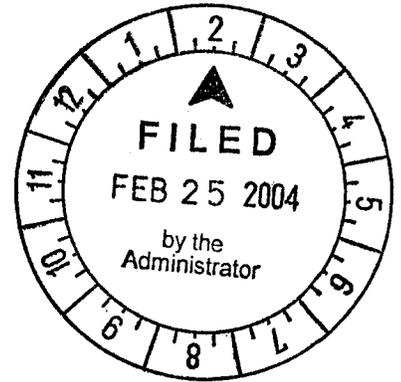


STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
FIRST NATIONAL CENTER, SUITE 860
120 NORTH ROBINSON
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

Isaac Holdings LLC, Kenneth R. Benbow,
Lather P. Thompson, and Frank Patterson Jr.,

Respondents.

ODS File No. 03-048

NOTICE OF SERVICE ON THE ADMINISTRATOR
AND
AFFIDAVIT OF COMPLIANCE

STATE OF OKLAHOMA)
) SS.
COUNTY OF OKLAHOMA)

The undersigned affiant, of lawful age, being first duly sworn upon oath deposes and states:

1. That he is the Administrator of the Oklahoma Department of Securities (Department).

2. That a copy of the Notice of Opportunity for Hearing (Notice) with Enforcement Division Recommendation (Recommendation) attached was delivered to Affiant in the office of the Administrator pursuant to Section 413(g) of the Oklahoma Securities Act (Act), Okla. Stat. Ann. tit. 71, §§1-413, 501, 701-703 (West 2004).

3. That this Affidavit of Compliance shall serve as notice to Isaac Holdings LLC, Kenneth R. Benbow, Lather P. Thompson and Frank Patterson Jr. (collectively, the "Respondents"), that the Administrator has received service of process on behalf of Respondents, pursuant to Section 413(g) of the Act.

4. That a copy of the Notice, with the Recommendation attached, and a copy of this Affidavit of Compliance are being sent this 25th day of February, 2004, by certified mail, return receipt requested, delivery restricted to addressee, to the last known addresses of Respondents, in compliance with Section 413(g) of the Act.

5. That this Affidavit of Compliance is declared filed of record as of the date set forth below in compliance with Section 413(g) of the Act.

FURTHER AFFIANT SAYETH NOT.

Dated this 25th day of February, 2004.

(SEAL)


Irving L. Faught, Administrator

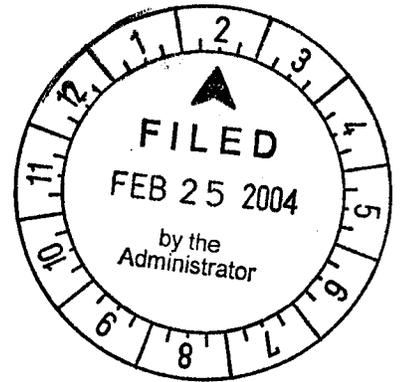
Subscribed and sworn to before me this 25th day of February, 2004.

(NOTARY SEAL)


Notary Public

My Commission Expires: August 26, 2005
My Commission Number: 01013792

STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
FIRST NATIONAL CENTER, SUITE 860
120 NORTH ROBINSON
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

Isaac Holdings LLC, Kenneth R. Benbow,
Lather P. Thompson, and Frank Patterson Jr.,

Respondents.

ODS File No. 03-048

NOTICE OF OPPORTUNITY FOR HEARING

1. Pursuant to his authority under Section 405 of the Oklahoma Securities Act (Act), Okla. Stat. Ann. tit. 71, §§1-413, 501, 701-703 (West 2004), the Administrator of the Oklahoma Department of Securities (Department) authorized an investigation into the activities of Isaac Holdings LLC, Kenneth R. Benbow, Lather P. Thompson and Frank Patterson Jr. (collectively, the "Respondents"), in connection with the offer and/or sale of securities in and/or from the state of Oklahoma.

2. On the 19th day of February, 2004, the attached Enforcement Division Recommendation (Recommendation) was left in the office of the Administrator.

3. Pursuant to Section 406(b) of the Act, the Administrator hereby gives notice to Respondents of their right to request a hearing to show why an order based on the Recommendation should not be issued.

4. The request for a hearing on the Recommendation must be received by the Administrator within fifteen (15) days after service of this Notice. Pursuant to Section 406(b) of the Act, failure to request a hearing as provided for herein shall result in the issuance of an order to cease and desist against Respondents.

5. The request for hearing shall be in writing and Respondents shall specifically admit or deny each allegation in said request as required by 660:2-9-1(c) of the Rules of the Oklahoma Securities Commission and the Administrator of the Department of Securities (Rules).

6. Upon receipt of a written request, pursuant to 660:2-9-2 of the Rules, a hearing on this Notice shall be set within sixty (60) days or a written order denying hearing shall be issued.

7. Notice of the date, time and location of the hearing shall be given to Respondents not less than ten (10) days in advance thereof pursuant to 660:2-9-3(a) of the Rules. Additionally, the notice may contain matters to supplement this Notice and the Recommendation attached hereto.

Witness my Hand and the Official Seal of the Oklahoma Department of Securities this 25th day of February, 2004.

(SEAL)



IRVING L. FAUGHT, ADMINISTRATOR OF THE
OKLAHOMA DEPARTMENT OF SECURITIES

CERTIFICATE OF MAILING

The undersigned hereby certifies that on the 25th day of February, 2004, a true and correct copy of the above and foregoing Notice of Opportunity for Hearing and attached Enforcement Division Recommendation was mailed by certified mail, return receipt requested, delivery restricted, with postage prepaid thereon addressed to:

Isaac Holdings LLC
4774 Timberglenn, # 3118
Dallas, TX 75287

Kenneth R. Benbow
4774 Timberglenn, # 3118
Dallas, TX 75287

and

4701 Charles Place
Plano, TX 75093-7456

Lather P. Thompson
4774 Timberglenn, # 3118
Dallas, TX 75287

Frank Patterson Jr.
Rt. 1, Box 121
Woodward, OK 73801



Brenda London Smith
Paralegal

STATE OF OKLAHOMA
DEPARTMENT OF SECURITIES
FIRST NATIONAL CENTER, SUITE 860
120 NORTH ROBINSON
OKLAHOMA CITY, OKLAHOMA 73102



In the Matter of:

Isaac Holdings LLC, Kenneth R. Benbow,
Lather P. Thompson, and Frank Patterson Jr.,

Respondents.

ODS File No. 03-048

ENFORCEMENT DIVISION RECOMMENDATION

Pursuant to the Oklahoma Securities Act (Act), Okla. Stat. Ann. tit. 71, §§1-413, 501, 701-703 (West 2004), an investigation was conducted into the activities of Isaac Holdings LLC (Isaac Holdings), Kenneth R. Benbow (Benbow), Lather P. Thompson (Thompson) and Frank Patterson (Patterson) (collectively, the "Respondents"), in connection with the offer and/or sale of securities in and/or from the state of Oklahoma. Based thereon, the following Findings of Fact, Authorities and Conclusions of Law are submitted to the Administrator, or his designee, in support of the issuance of an order to cease and desist against Isaac Holdings, Benbow, Thompson and Patterson.

Findings of Fact

1. At all times relevant hereto, Isaac Holdings was a limited liability corporation formed under the laws of the state of Texas.
2. At all times relevant hereto, Benbow and Thompson were Member/Managers of Isaac Holdings.
3. At all times relevant hereto, Patterson was a resident of the state of Oklahoma. Patterson, whose step-son was an employee of Isaac Holdings, touted an investment in Isaac Holdings to some of his co-workers and friends in Oklahoma.
4. During April of 2000, Benbow and Patterson met with various Oklahoma residents (Investors). Patterson and Benbow told Investors that Isaac Holdings held the exclusive right to purchase shares of Media Fusion Inc. (Media Fusion) stock prior to Media Fusion going public in the summer of 2000. Investors were offered units of Isaac Holdings (Units) and were told that each Unit would entitle them to receive a share of stock in Media Fusion once the company went public.

5. Patterson and Benbow told Investors that Media Fusion owned a patent for a system that could send high speed internet service over electrical power transmission lines. The technology could load voice, email, and high-definition video onto power lines and route the data to every home on the power grid. Consumers could then connect computers into any power outlet in their homes to extract the data. The set-up cost to consumers would be less than \$60.

6. Investors were also told that Media Fusion had scheduled demonstrations to be held in the spring and summer of 2000, to show the public that the technology worked. Investors were encouraged to invest as much as they could as "the company was projected to be worth billions of dollars." Patterson compared the investment potential of Isaac Holdings to that of Microsoft; Investors were told that the investment involved "no risk" and that they would become "millionaires" within a few years.

7. Investors were promised monthly statements and newsletters to keep them informed about the status of their investments and events leading up to the public offering of Media Fusion.

8. Investors were offered Units for Twenty-Five Dollars (\$25) per Unit with a required minimum purchase of forty (40) Units. Payment for the Units was required to be made by cashier's check or wire transfer to an Isaac Holding's bank account at Compass Bank in Dallas Texas.

9. During April of 2000, eight (8) Investors purchased one thousand six hundred six (1,606) Units for a total cost of Forty Thousand One Hundred Fifty Dollars (\$40,150).

10. The Units were not registered under the Act and no claim of an exemption from the registration provisions of the Act was filed with the Administrator pursuant to Section 401 of the Act.

11. At all times relevant hereto, Benbow and Patterson were not registered under the Act to transact business in this state as agents.

12. To date, Respondents have failed to provide monthly statements or newsletters to Investors. No technology demonstrations for the public have been held and Media Fusion has not made a public offering. Respondents have failed to provide information to Investors about how their investment funds have been used. Further, Investors have not received confirmation of the interests they acquired in Isaac Holdings.

13. Isaac Holdings, Benbow, Patterson and Thompson, directly and indirectly, offered and sold Units through the use of promotional literature and oral and written communications that contained untrue statements of material facts including, but not limited to, the following:

- a. that Media Fusion would be "going public" during the summer of 2000;
- b. that an investment in Isaac Holdings would be a "no risk investment" and that investors would become "millionaires" within a few years;
- c. that Investors would receive monthly statements and newsletters to keep them informed about their investment; and
- d. that public demonstrations of the Media Fusion technology would be held in the spring and summer of 2000.

14. Benbow, Patterson and Thompson, directly and indirectly, offered and sold units issued by Issac Holdings through the use of promotional literature and oral and written communications that omitted to state material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading including, but not limited to, the following:

- a. the risk that Media Fusion would not go public;
- b. the use of Investor funds;
- c. the risk that Investors could lose all of their invested funds; and
- e. that Patterson and Benbow were not registered as agents under the Act.

15. Based upon the foregoing violations of the Act, it is in the public interest to issue an order against Respondents to cease and desist from engaging in violations of the Act or doing any act in furtherance thereof.

To the extent any of these Findings of Fact are more properly characterized as Conclusions of Law, they should be so considered.

Authorities

1. Section 2 of the Act provides in part:

(d) "Agent" means any individual other than a broker-dealer who represents a broker-dealer or issuer in effecting or attempting to effect purchases or sales of securities.

A partner, officer, member or director of a broker-dealer or issuer, or a person occupying a similar status or performing similar functions, is an agent only if the person otherwise comes within this definition.

* * *

(v) **"Security"** means any:

* * *

(11) investment contract[.]

2. Section 101 of the Act provides:

It is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly[:]

* * *

(2) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading,

(3) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

3. Section 201 of the Act provides in pertinent part:

(a)(1) It is unlawful for any person to transact business in this state as a broker-dealer or agent unless the person is so registered under this act or unless the person is exempt from registration as provided in paragraph (2) or (3) of this subsection.

* * *

(b) It is unlawful for any broker-dealer or issuer to employ an agent unless the agent is registered or is exempt from registration.

4. Section 301 of the Act provides:

It is unlawful for any person to offer or sell any security in this state unless: (1) it is registered under this act or the security or transaction is exempted under Section 401 of this title; or (2) it is a federal covered security.

5. Section 406 of the Act provides in pertinent part:

(a) If the Administrator reasonably believes, whether or not based upon an investigation conducted under Section 405 of this title, that a person has violated the Oklahoma Securities Act, except under the provisions of Section 202.1 or 305.2 of this title, or a rule or order of the Administrator under the Oklahoma Securities Act or has engaged in dishonest or unethical practices in the securities business, the Administrator, in addition to any specific power granted by any other section of the Oklahoma Securities Act, may impose one or more of the following sanctions:

(1) issue an order against the person to cease and desist from engaging in such violation or dishonest or unethical practices or doing any act in furtherance thereof[.]

Conclusions of Law

1. The Units are securities as defined in Section 2 of the Act.
2. Respondents offered and sold unregistered securities in the state of Oklahoma, in violation of Section 301 of the Act.
3. Respondents Benbow and Patterson transacted business in the state of Oklahoma as agents without registration under the Act, in violation of Section 201 of the Act.
4. Respondent Isaac Holdings employed agents in the state of Oklahoma who were not registered under the Act, in violation of Section 201 of the Act.
5. Respondents, directly or indirectly, made untrue statements of material fact and omitted to state material facts in connection with the offer and/or sale of securities in the state of Oklahoma, in violation of Section 101(2) of the Act.
6. Respondents, directly or indirectly, engaged in an act, practice or course of business that operated as a fraud or deceit in connection with the offer and/or sale of securities in the state of Oklahoma, in violation of Section 101(3) of the Act.
7. The Administrator has the authority under Section 406 of the Act to order Respondents to cease and desist from engaging in violations of the Act or doing any act in furtherance thereof.
8. It is in the public interest to order Respondents to cease and desist from engaging in violations of the Act or doing any act in furtherance thereof.

To the extent any of these Conclusions of Law are more properly characterized as Findings of Fact, they should be so considered.

WHEREFORE, it is recommended that the Administrator order Respondents to cease and desist from engaging in violations of the Act or doing any act in furtherance thereof.

Dated this 19th day of February, 2004.

Respectfully Submitted,

A handwritten signature in cursive script, reading "Rebecca A. Cryer", is written over a horizontal line.

Rebecca Cryer
Enforcement Attorney
Oklahoma Department of Securities
120 North Robinson, Suite 860
Oklahoma City, OK 73102
(405) 280-7700