

**STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF:

PRACTICAL DIGITAL SOLUTIONS, LLC.

DAVID WOODGET

PHILLIP W COLEMAN

RESPONDENTS

ADMINISTRATIVE ORDER

NO. CD-2012-00 18

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities, into, within or from the state of Alabama, has determined as follows:

RESPONDENTS

1. **PRACTICAL DIGITAL SOLUTIONS, LLC. ("PDS")** is an active Indiana domestic limited liability company, having a commercial business address of 6689 Orchard Lake Road, Suite 290, West Bloomfield, Michigan, 48322.
2. **DAVID WOODGET ("WOODGET")**, at all times relevant, acted as the Vice President and co-owner of PDS, with a business address of 6689 Orchard Lake Road, Suite 290, West Bloomfield, Michigan, 48322.
3. **PHILLIP W COLEMAN ("COLEMAN")**, at all times relevant, acted as the Founder / President and CEO of PDS, with a business address of 6689 Orchard Lake Road, Suite 290, West Bloomfield, Michigan, 48322.

STATEMENT OF FACTS

4. An online search of the Indiana Secretary of State's website revealed WOODGET incorporated PDS as a limited liability company in the state of Indiana on

December 23, 2008.

5. The Commission is in receipt of information that on January 18, 2012, WOODGET and PDS solicited an investment in PDS from an Alabama resident. The "cold call" solicitation was in the form of an email with attached marketing materials from WOODGET's aol.com email address.

6. The PDS marketing materials sought investors in a water purifying product labeled "Eclipse". Investors are given a half percentage (0.5%) of "product ownership" per \$50,000.00 investment. Investment returns were based on a percentage of the product net profit.

7. According to the PDS marketing materials, COLEMAN was listed as the company's Founder / President and CEO, with WOODGET listed as the Vice President, Co-owner and Senior Investment Consultant.

8. A review of the Commission files conducted on March 15, 2012, revealed RESPONDENTS were neither registered nor exempt from registration to offer and sell securities in Alabama. In addition, there were no records of registration or any perfected exemption from registration for the PDS certificate of interest and the participation in a profit sharing agreement, offered to the Alabama resident.

CONCLUSIONS OF LAW

9. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of a security includes any certificate of interest or the participation in a profit sharing agreement. The product ownership percentage offered by RESPONDENTS in paragraph 6 constitutes a profit sharing agreement and is a security under the Alabama Securities Act.

10. The definition of agent under Section 8-6-2(2), Code of Alabama 1975, includes any individual who represents a dealer or an issuer in effecting or attempting to effect sales of securities. WOODGET represented PDS in attempting to effect transactions in securities in Alabama and is an Agent under the Act.

11. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any person to transact business in this state as a dealer or agent for securities unless he is registered under the act. WOODGET acted as an agent of PDS and transacted business in Alabama without benefit of registration in violation of Section 8-6-3(a) of the Act.

12. Pursuant to Section 8-6-3(a), Code of Alabama 1975, it is unlawful for any dealer or issuer to employ an agent unless the agent is registered. PDS and COLEMAN employed WOODGET as an agent, while WOODGET was not properly registered with the Commission in violation of the Act.

13. Pursuant to Section 8-6-4, Code of Alabama 1975, it is unlawful to offer or sell any security in this state unless it is registered under the Act, the security is exempt from registration pursuant to Section 8-6-10, or the transaction is exempt under Section 8-6-11. The securities issued by PDS and offered by WOODGET to the Alabama resident, to wit: profit sharing agreement, was neither registered nor exempt from registration in violation of the Act.

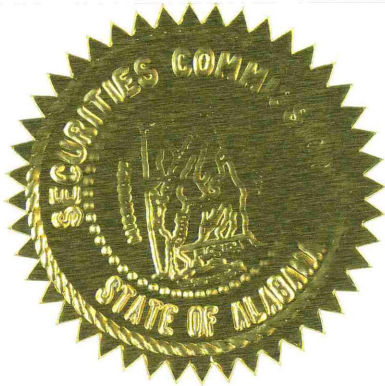
This Order does not prevent the Alabama Securities Commission from seeking such other administrative, civil or criminal remedies that are available to it under the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

Additionally, if the allegations set forth herein are found to be true, through either administrative adjudication, failure of the **RESPONDENTS** to make a timely request for hearing, or default of the respondents, it is the intention of the Commission to impose sanctions upon the **RESPONDENTS**. Such sanctions may include, inter alia, an administrative assessment imposed on **RESPONDENTS**, an additional administrative assessment for investigative costs arising from the investigation of the violation(s) described herein against **RESPONDENTS**, and a permanent order to bar **RESPONDENTS** from participation in any securities related industry in the state of Alabama.

ACCORDINGLY, IT IS HEREBY ORDERED that the **RESPONDENTS** immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the state of Alabama.

Entered at Montgomery, Alabama, this 15th day of May, 2012.



ALABAMA SECURITIES COMMISSION
401 Adams Avenue, Suite 280
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(334) 242-2984

BY:

A blue ink signature, appearing to read "J. Borg", is written over a horizontal line. A long, sweeping blue line extends from the bottom of the signature, crossing the line and extending downwards and to the left.

Joseph P. Borg
Director