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EDWARD ESCUDERO
MEMBER

IN THE MATTER OF
BIODEFENSE CORPORATION,
MICHAEL LU, JONATHAN MORRONE
AND PAUL JURBERG

§
§
§
§

Order No. ENF-08-CDO-1651

TO: BioDefense Corporation
12 Channel Street
Boston, Massachusetts 02210

Michael Lu
12 Channel Street
Boston, Massachusetts 02210

Jonathan Morrone
12 Channel Street
Boston, Massachusetts 02210

Paul Jurberg
12 Channel Street
Boston, Massachusetts 02210

AGREED CEASE AND DESIST ORDER

Be it remembered that BioDefense Corporation ("RespondentBioDefense"), by and through its Chairman and Chief Executive Officer, Michael Lu; Michael Lu ("Respondent Lu"), individually; Jonathan Morrone ("Respondent Morrone"), individually; and Paul Jurberg ("RespondentJurberg"), individually, appeared before the Securities Commissioner of Texas ("Securities Commissioner") and consented to the entry of this Order and the Findings of Fact and Conclusions of Law contained herein.

FINDINGS OF FACT

1. Respondents have waived (a) Respondents' right to notice and a hearing in this matter; (b) Respondents' right to appear and present evidence in this matter; (c) Respondents' right to appeal this Order; and (d) all other procedural rights granted to Respondents by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq (Vernon 1964 & Supp. 2007) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon Supp. 2007) ("Administrative Procedure Act").

2. Respondent BioDefense is a Delaware corporation that maintains a last known address of 12 Channel Street, Boston, Massachusetts 02210.
3. Respondent Lu is the Chairman and Chief Executive Officer of Respondent BioDefense and maintains a last known address of 12 Channel Street, Boston, Massachusetts 02210.
4. Respondent Morrone is a Director and the Executive Vice President of Finance & Administration of Respondent BioDefense and maintains a last known address of 12 Channel Street, Boston, Massachusetts 02210.
5. Respondent Jurberg is Senior Vice-President of Consumer & Investor Relations of Respondent BioDefense and maintains a last known address of 12 Channel Street, Boston, Massachusetts 02210.
6. Respondents, acting directly and through a third-party agent, have sold and offered for sale in Texas shares of stock in Respondent BioDefense.
7. The above-described shares of stock were not registered by qualification, notification or coordination and no permit has been granted for their sale in Texas.
8. Neither Respondents nor their agent were registered with the Securities Commissioner as dealers or agents at any time material hereto.

CONCLUSIONS OF LAW

1. The above-described shares of stock are "securities" as that term is defined in Section 4.A of the Texas Securities Act.
2. Respondents have violated Section 7 of the Texas Securities Act by offering securities for sale in Texas at a time when the securities were not registered with the Securities Commissioner.
3. Respondents have violated Section 12 of the Texas Securities Act by offering securities for sale in Texas without being registered pursuant to the provisions of Section 12 of the Texas Securities Act.
4. The foregoing violations constitute bases for the issuance of a cease and desist order pursuant to Section 23.A of the Texas Securities Act.

ORDER

1. It is therefore ORDERED that Respondents CEASE AND DESIST from offering for sale and selling any security in Texas until the security is registered with the Securities Commissioner or is offered for sale and sold pursuant to an exemption from registration under the Texas Securities Act.
2. It is further ORDERED that Respondents CEASE AND DESIST from acting as securities dealers or agents in Texas until Respondents are registered with the Securities Commissioner or are acting pursuant to an exemption from registration under the Texas Securities Act.

SIGNED AND ENTERED by the Securities Commissioner this ^{28th day} ~~15th~~ day of March, 2008.

Denise Voigt Crawford
DENISE VOIGT CRAWFORD
Securities Commissioner

Respondents:

BioDefense Corporation

Michael Lu
Michael Lu, Chairman and CEO

Michael Lu
Michael Lu, Individually

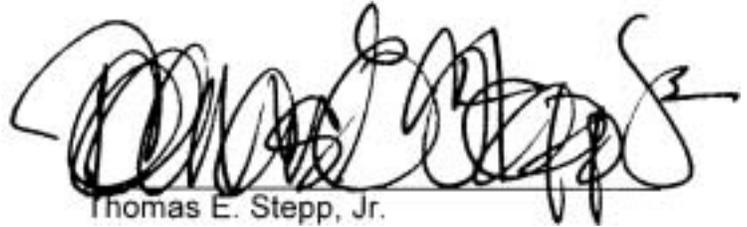
Jonathan Morrone
Jonathan Morrone, Individually

Paul Jurberg
Paul Jurberg, Individually

Approved as to Form:



Joe Rotunda
Director
Enforcement Division



Thomas E. Stepp, Jr.
Stepp Law Group
32 Executive Park, Suite 105
Irvine, California 92614-6742
Attorney for Respondent, BioDefense

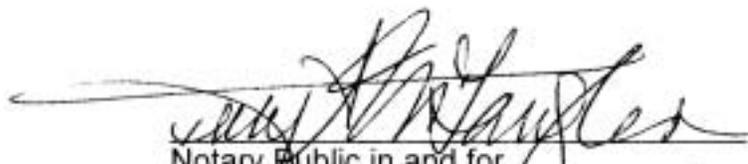


Jennifer Ulbeck
Enforcement Attorney
Enforcement Division

ACKNOWLEDGMENT

On the 13th day of MARCH, 2008, BioDefense Corporation, ("Respondent"), by and through its Chairman and Chief Executive Officer, Michael Lu, personally appeared before me, executed the foregoing Order and acknowledged that:

1. Michael Lu is duly authorized to enter into the foregoing Order on behalf of Respondent;
2. Michael Lu has read the foregoing Order;
3. Respondent has been fully advised of its rights under the Texas Securities Act and the Administrative Procedure Act;
4. Respondent knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and Conclusions of Law contained therein; and,
5. Respondent, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived its rights as set forth therein.


Notary Public in and for
the State of Massachusetts

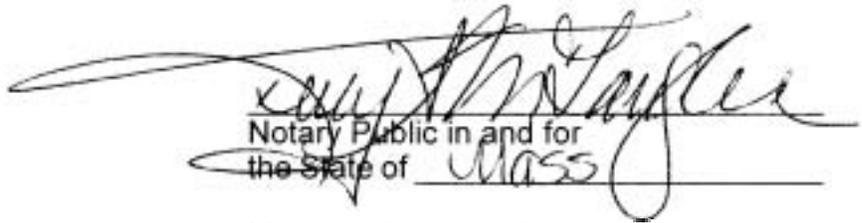
[affix notary seal here]

My commission expires on: _____
My Commission Expires
May 28, 2010

ACKNOWLEDGMENT

On the 13th day of MAY, 2008, Michael Lu, individually ("Respondent"), personally appeared before me, executed the foregoing Order and acknowledged that:

- 1. Respondent has read the foregoing Order;
- 2. Respondent has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
- 3. Respondent knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and Conclusions of Law contained therein; and,
- 4. Respondent, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.


 Notary Public in and for
 the State of Mass

[affix notary seal here]

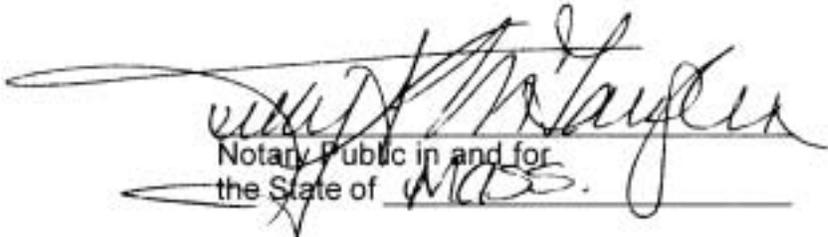
My commission expires on: _____

**My Commission Expires
May 28.2010**

ACKNOWLEDGMENT

On the 13th day of March, 2008, Jonathan Morrone, individually ("Respondent"), personally appeared before me, executed the foregoing Order and acknowledged that:

- 1. Respondent has read the foregoing Order;
- 2. Respondent has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
- 3. Respondent knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and Conclusions of Law contained therein; and,
- 4. Respondent, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.


 Notary Public in and for
 the State of Mass.

[affix notary seal here]

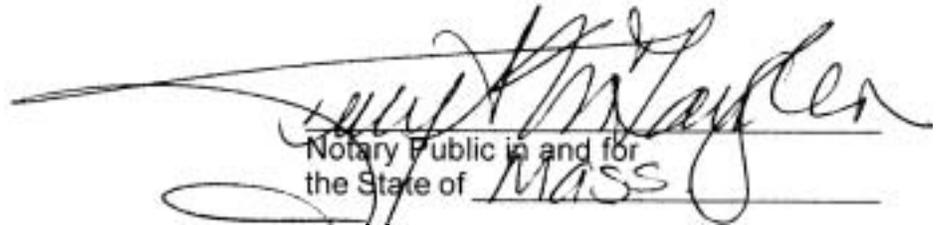
My commission expires on: _____

**My Commission Expires
May 28, 2010**

ACKNOWLEDGMENT

On the 13th day of March, 2008, Paul Jurberg, individually ("Respondent"), personally appeared before me, executed the foregoing Order and acknowledged that:

1. Respondent has read the foregoing Order;
2. Respondent has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
3. Respondent knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and Conclusions of Law contained therein; and,
4. Respondent, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.


 Notary Public in and for
 the State of Mass
 My commission expires on: _____

[affix notary seal here]

**My Commission Expires
May 28, 2010**