BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE OF THE STATE OF TENNESSEE AT NASHVILLE

TENNESSEE SECURITIES DIVISION	)	
Petitioner,	)	
VS.	)	
	)	**File No.: 04-004**
EZ-SCAN.COM, INC. a/k/a EZ-SCAN, INC., HARD BOX, AND RICHARD H. OSTEIMER	)	
Respondents.	)	

ORDER TO CEASE AND DESIST

This Order issues as a result of a Petition and its exhibits attached hereto filed by the Tennessee Securities Division of the Department of Commerce and Insurance and is predicated upon the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

1. EZ-Scan.com, Inc. a/k/a EZ-Scan, Inc. ("EZ-Scan") was a Nevada corporation doing business in Tennessee. The corporate status of EZ-Scan has been revoked. The business entity is located at 1997 Brownsford Lane, Cordova, Tennessee 38018. EZ-Scan is not registered with the Division as a broker-dealer or agent of a broker-dealer.

2. Hard Box is an unknown business entity doing business in Tennessee. The business entity is believed to be located at 1997 Brownsford Lane, Cordova, Tennessee 38018. Hard Box is not registered with the Division as a broker-dealer or agent of a broker-dealer.

3. Richard H. Ostheimer ("Ostheimer") is believed to be an employee, agent, officer, director, owner or other affiliated person of EZ-scan and/or Hard Box. Ostheimer maintains his address at 1997 Brownsford Lane, Cordova, Tennessee 38018. Ostheimer is not registered with the Division as a broker-dealer or agent of a broker-dealer.

4. EZ-Scan.com, Inc. is currently offering and/ or selling securities from and/or in the State of Tennessee.

5. Hard Box is currently offering and/or selling securities from and/or in the State of Tennessee.

6. Ostheimer is currently offering and/ or selling securities from and/or in the State of Tennessee.

7. On or about March 1, 2004, Eddie Davis, an investigator with the Division of Securities, began a preliminary investigation regarding the matter. It was brought to the attention of the Division that Ostheimer was engaged in the sale of unregistered private placement securities while being an unregistered broker-dealer or agent.

8. Kimberley Ostheimer was believed to possess information related to the securities transaction of Richard Ostheimer. Kimberley Ostheimer was subpoenaed to give a deposition, and a deposition was taken on March 16, 2004.

9. Kimberley Ostheimer is the ex-wife of Richard Ostheimer. She states that that Ostheimer would sell 50% of the shares in a company for $1.00 or $5.00 per share. Then, he would change the name of the company and create another. Kimberley Ostheimer says that this scheme was used for Hard Box and EZ-scan.

10. In regard to EZ-scan, the technology pitched to prospective investors was grocery store product scanners.

11. Richard Ostheimer allegedly engages in the fraudulent business practices for the sole purpose of generating living expenses. An Affidavit from Mary Louise Thames, a former employee of EZ-scan confirms that monies received by EZ-scan were spent for groceries, restaurant expenses, at toy stores, personal bills related to the Ostheimer residence, and personal credit card expenses.

12. Stock registers provided to the Division indicate that Tennessee residents have invested approximately $300,000 in EZ-Scan. The stock registers also indicate that Richard Ostheimer has sold stock to citizens of other states.

13. Interviews conducted by the Division indicate that Richard Ostheimer is continuing to sell unregistered securities related to EZ-Scan.

14. EZ-Scan.com, Inc. is not currently, nor has the company ever been, registered as a broker-dealer, agent of a broker-dealer, or investment adviser with the Division pursuant to the Tennessee Securities Act of 1980, as amended. Moreover, EZ-Scan.com, Inc. has never registered a securities offering with the Division.

15. Hard Box is not currently, nor has the company ever been, registered as a broker-dealer, agent of a broker-dealer, or investment adviser with the Division pursuant to the Tennessee Securities Act of 1980, as amended.

16. Ostheimer is not currently, nor has he ever been, registered as a broker-dealer, agent of a broker-dealer, or investment adviser with the Division pursuant to the Tennessee Securities Act of 1980, as amended.

17. The Respondents, without the proper registration, are presently and will continue to issue, offer, and/or sell unregistered securities, also without the proper

registration, from or in the State of Tennessee. As result of this activity the public will suffer immediate and irreparable injury, loss or damage.

18. The Respondents, in connection with the offer, sale and purchase of the security in this state, will continue to violate Tennessee Code Annotated § 48-2-121(b) by stating that the shares of EZ-Scan.com, Inc. stock are registered or omitting to state that the shares of stock are unregistered with the State of Tennessee, Department of Commerce and Insurance, Division of Securities.

19. The Respondents, in connection with the offer, sale and purchase of the security in this state, will continue to violate Tennessee Code Annotated § 48-2-121(b) by selling shares of stock for investment purposes and not using the investment monies for investment-related expenses.

20. This Order is in the public interest and necessary for the protection of investors, and consistent with the purposes fairly intended by the Act.

CONCLUSIONS OF LAW

1. Tennessee Code Annotated §48-2-104 provides that it is unlawful for any person to sell any security in this state unless it is registered with the Division, qualified for an exemption pursuant to §48-2-103, or a covered security.

2. Tennessee Code Annotated § 48-2-102 provides that a security includes stock.

3. Based upon the Findings of Fact and the Exhibits filed by the Petitioner, the Respondents have violated and are violating Tennessee Code Annotated §48-2-104 by offering, issuing, and/or selling unregistered securities to Tennessee residents.

4. Tennessee Code Annotated §48-2-102(3) provides that a "broker-dealer" means any person engaged in the business of effecting transactions in securities for the account of others, or any person engaged in the business of buying or selling securities issued by one (1) or more other persons for such person's own account and as part of a regular business rather than in connection with such person's investment activities.

5. Tennessee Code Annotated §48-2-102(2) provides that an "agent" means any individual, other than a broker-dealer, who represents a broker-dealer in effecting or attempting to effect purchases or sales of securities from or in this state.

6. Tennessee Code Annotated §48-2-109(a) provides that it is unlawful for any person to transact business from or in this state as a broker-dealer or agent unless such person is registered as a broker-dealer or agent under this part.

7. Tennessee Code Annotated §48-2-109(b) provides that it is unlawful for any broker-dealer to employ an agent to transact business as an agent unless the agent is registered under this part.

8. Based upon the Findings of Fact and the Exhibits filed by the Petitioner, Respondents, EZ-Scan.com, Inc., Hard Box, and Ostheimer, have violated and are violating Tennessee Code Annotated §48-2-109(a) and (b) by acting as unregistered broker-dealers and/or agents and/or employing unregistered agents to solicit Tennessee residents.

9. Tennessee Code Annotated § 48-2-121 provides that it is unlawful for any person, in connection with the offer, sale or purchase of any security in this state, directly or indirectly, to make any untrue statement of a material fact or omit to state a material fact

necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading.

10. Based upon the Findings of Fact, the Respondents have violated and are violating Tennessee Code Annotated § 48-2-121 by stating that the shares of EZ-Scan.com, Inc. and/or Hard Box stock are registered or omitting to state that the shares of stock are unregistered with the State of Tennessee, Department of Commerce and Insurance, Division of Securities.

11. Based upon the Findings of Fact, the Respondents have violated and are violating Tennessee Code Annotated § 48-2-121 by selling shares of stock for investment purposes and not using the investment monies for investment-related expenses.

12. Tennessee Code Annotated §48-2-116 provides that the Commissioner may make, promulgate, amend, and rescind such Orders as are necessary to carry out the provisions of the Tennessee Securities Act of 1980, as amended, and that such Order is in the public interest, necessary for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of the Act.

13. Tennessee Code Annotated §48-2-116(e)(2) states, in pertinent part, that no Order may be entered without: 1) prior notice to affected parties, unless the Commissioner determines that prior notice would not be in the public interest and would be detrimental to the protection of investors; 2) an opportunity for a hearing before the Commissioner; and 3) written Findings of Fact and Conclusions of Law.

14. Based upon the Findings of Fact, it would not be in the public interest and it would be detrimental to the protection of investors if prior notice of this Order were given to affected parties.

NOW, THEREFORE, in consideration of the foregoing, it is **ORDERED** that:

1. The Respondents, EZ-Scan.com, Inc., Hard Box, and Richard Ostheimer, shall comply with the provisions of the Tennessee Securities Act of 1980, as amended.

2. The Respondents, EZ-Scan.com, Inc., Hard Box, and Richard Ostheimer, shall cease and desist in the further conduct as a broker-dealers from or in the State of Tennessee until such time as it is effectively registered with the Division to engage in such activity. Specifically, IT IS ORDERED that the Respondents immediately cease and desist from the issuance, offer to sell, and/or sale of stock or any other investment interest in EZ-Scan.com, Inc. and/or Hard Box, including any successor entities to individuals in Tennessee and in other states, as well as immediately cease and desist from any activity associated with the sale of these and any other securities.

3. The Respondents, EZ-Scan.com, Inc., Hard Box, and Richard Ostheimer, shall cease and desist in further conduct as agents of a broker-dealer from or in the State of Tennessee until such time each is effectively registered with the Division to engage in such activity. Specifically, IT IS ORDERED that the Respondents immediately cease and desist from the issuance, offer to sell, and/or sale of stock or any other investment interest in EZ-Scan.com, Inc. and/or Hard Box, including any successor entities to individuals in Tennessee and in other states, as well as immediately cease and desist from any activity associated with the sale of these and any other securities.

4. All Respondents shall cease and desist the further offer and/or sale and/or issuance of unregistered securities from and in the State of Tennessee. Specifically, IT IS ORDERED that the Respondents immediately cease and desist from the issuance, offer to sell, and/or sale of stock or any other investment interest in EZ-Scan.com, Inc. and/or Hard

Box, including any successor entities to individuals in Tennessee and in other states, as well as immediately cease and desist from any activity associated with the sale of these and any other securities.

5. The Respondents shall cease and desist, from and in the State of Tennessee, in making any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading.

6. All persons in any way assisting, aiding, or helping any of the aforementioned Respondents in any of the aforementioned violations of the Tennessee Securities Act of 1980, as amended, Tennessee Code Annotated §§48-2-101 et seq. shall cease and desist from all such activities in violation of the Tennessee Securities Act of 1980, as amended.

This Order is not intended to prohibit any lawful conduct in which any of the Respondents might be engaged.

Entry of this Order shall not in any way restrict the Tennessee Securities Division or the Commissioner of Commerce and Insurance from taking further action with respect to these or other possible violations by Respondents of the Act or any of the Rules promulgated there under.

This Order shall become a Final Order 30 days from the date of its entry, unless written notification requesting a hearing is made within that 30 day period.

You are advised that you have the right to a hearing as to all matters raised in this Order. If you wish to exercise your right to a hearing, please notify:

DAPHNE D. SMITH
ASSISTANT COMMISSIONER FOR SECURITIES
STATE OF TENNESSEE, DEPARTMENT OF COMMERCE AND INSURANCE
DAVY CROCKETT TOWER, SUITE 680
500 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243

Such request must be received within 30 days of the date of entry of this Order.

Entered this 22nd day of April, 2004.

Paula A. Flowers

Paula A. Flowers,
Commissioner

APPROVED FOR ENTRY:

Daphne D. Smith

Daphne D. Smith
Assistant Commissioner for Securities
Department of Commerce and Insurance

ISSUANCE REQUESTED BY:

Michele Komorowski Elliott

Michele Komorowski Elliott, #022618
Staff Attorney, Securities Division
Department of Commerce and Insurance
500 James Robertson Parkway
Davy Crockett Building, 5th Floor
Nashville, Tennessee 37243
(615) 741-2199
Fax (615) 741-4000

CERTIFICATE OF SERVICE

The undersigned hereby certifies that true and correct copies of the Petition, Notice, and Order to Cease and Desist have been served in accordance with the Tennessee Rules of Civil Procedure via certified mail, return receipt requested to the following:

✓ EZ-Scan.com, Inc.
c/o Richard Ostheimer
1997 Brownsford Lane
Cordova, TN 38018
Certified Mail # 7001 2510 0006 0061 0894;

✓ Hard Box
c/o Richard Ostheimer
1997 Brownsford Lane
Cordova, TN 38018
Certified Mail # 7002 0860 0001 3226 7372;

✓ Richard Ostheimer
1997 Brownsford Lane
Cordova, TN 38018
Certified Mail # 7001 2510 0006 0061 0900.

This 22 day of April, 2004.

Michele K. Elliott,
Certifying Attorney