

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: ALAN J. TOUCH,) File No. 0200597
)
)

ORDER OF PROHIBITION

TO THE RESPONDENT: Alan J. Touch
3209 Gresham Lake Rd.
Suite 128
Raleigh, NC 27615

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on October 24, 2002, prohibiting Alan J. Touch from offering or selling securities in the State of Illinois until further order of the Secretary of State.

WHEREAS, a Notice of Hearing in this matter was issued by the Secretary of State on November 27, 2002, pursuant to the request of Respondent, Alan J. Touch; this hearing was scheduled for January 15, 2003, and was continued to April 16, 2003.

WHEREAS, pursuant to Section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act") and Section 130.1104 of the Rules and Regulations under the Illinois Securities Law of 1953 [14 Ill. Adm. Code. 130 et seq.] (the "Rules"), when a Notice of Hearing is issued, the failure to appear at the hearing or failure to file a written answer to a Notice of Hearing within 30 days after service shall be deemed an admission of the allegations contained in the Notice of Hearing and waives the respondent's right to a hearing, at which time the Hearing Officer shall make a recommendation that an appropriate order be entered wherein, in addition to any other sanctions, respondent be held in default.

WHEREAS, Alan J. Touch has failed to file a written answer to the aforesaid Notice of Hearing on the matters contained in the said Notice of Hearing within thirty days of service of the Notice of Hearing and failed to appear at the aforesaid Hearing, and is hereby deemed to have admitted the facts alleged in the said Notice of Hearing.

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the said Notice of Hearing as the Secretary of State's final Findings of Fact as follows:

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1. That Respondent, Alan J. Touch, has a last known address of 3209 Gresham Lake Rd., Suite 128, Raleigh, NC 27615;
2. That on or about September 10, 1999, Alan J. Touch, offered to at least one (1) Illinois resident, shares of Touch Scientific, Inc. stock at \$12.00 per share;
3. That on or about October 11, 1999, Alan J. Touch, sold to at least one (1) Illinois resident, 400 shares of Touch Scientific, Inc. stock at \$10.00 a share;
4. That each of the above-referenced shares of stock is a security as that term is defined pursuant to Section 2.1. of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act");
5. That Section 5 of the Act provides, inter alia, that all securities except those exempt under Section 3 of the Act or those offered and sold in transactions exempt under Section 4 of the Act shall be registered with the Secretary of State prior to their offer or sale in the State of Illinois;
6. That Section 12.A of the Act provides, inter alia, that it shall be a violation of the Act for any person to offer or sell securities except in accordance with the provisions of the Act;
7. That Section 12.D of the Act provides, inter alia, that it shall be a violation of the Act for any person to fail to file with the Secretary of State any document or application required to be filed under the provision of the Act;
8. That at all times relevant hereto, Touch Scientific, Inc., its Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, and Alan Touch, failed to file an application for registration of the above-referenced securities with the Secretary of State prior to their offer or sale in the State of Illinois;
9. That Section 11.F(1) of the Act provides, inter alia, that the Respondent's failure to appear at a hearing or otherwise respond to the allegations set forth in the notice of hearing shall constitute an admission of any facts alleged therein and shall constitute sufficient basis to enter an order prohibiting Respondent from offering or selling any securities in the State.

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NOTICE: Failure to comply with the terms of this Order shall be a violation of the Section 12.D of the Act. Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of the Order, shall be guilty of a Class 4 felony.

This is a final order subject to administrative review pursuant to the Administrative Review Law, [735 ILCS 5/3-101 et seq.] and the Rules and Regulations of the Illinois Securities Act, [14 Ill. Admin. Code Ch. I, Section 130.1123]. Any action for Judicial Review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

Attorney for the Secretary of State:
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