STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

IN THE MATTER OF. RODRICK JAMES RIEMAN,

MICHAEL J. CROOK

Z TOUCH SYSTEMS, INC.,

INNOVATIVE FINANCIAL

SERVICES, INC ,

THEIR OFFICERS, DIRECTORS,

EMPLOYEES, AFFILIATES, SUCCESSORS,

AGENTS AND ASSIGNS

)

TEMPORARY ORDER OF PROHIBITION

TO THE RESPONDENTS Paul K Morton
Greenberg Traurig
77 West Wacker Drive
Suite 2500

Chicago, Illinois 60601

Innovative Financial Services, Inc. 937 Williamsburg Drive Naperville, Illinois 60540

Rodrick James Rieman 937 Williamsburg Drive Naperville, Illinois 60540

Z Touch Systems, Inc. 6375 S. Pecos Rd Suite 121 Las Vegas, Nevada 89120

Michael J. Crook 6375 S. Pecos Rd Suite 121 Las Vegas, Nevada 89120

Rodrick James Rieman 6375 S. Pecos Rd Suite 121 Las Vegas, Nevada 89120

Innovative Financial Services, Inc Roderick James Rieman, Corporate Agent 38W380 Heritage Oaks St Charles, Illinois 60175 Z Touch Systems, Inc. Budget Corporate Renewals, Inc., Corporate Agent 31,2 W. Post Road Las Vegas, Nevada 89118

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, having been fully advised in the premises by the staff of the Illinois Securities Department, Office of the Secretary of State, herein find.

- 1. That Respondent, Z Touch Systems, Inc., (Z Ťouch) is a business entity with a last known address of 6375 S. Pecos Rd., Suite 121, Las Végas, Nevada 89120;
- That Respondent, Innovative Financial Services, Inc., (Innovative Financial Services) is a business entity, with a last known address of 937 Williamsburg Drive, Naperville, Illinois 60540;
- That at all times relevant, Respondents Michael J. Crook and Rodrick James Rieman were Officers, Directors, Agents or Employees of Z Touch Systems, Inc.,
- That at all times relevant, Respondent Rodrick James Rieman was an Officer, Director, Agent or Employee of Innovative Financial Services, Inc;
- That on or about April 12, 2004, Respondents Rodrick James Rieman, Michael J. Crook, Z Touch and Innovative Financial Services, their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, offered and sold to WU, an Illinois resident, a Letter of Intent whereby in return for an investment amount of \$30,000, WU was promised to receive a return of his original investment plus 112,500 shares of Z Touch by October 12, 2005, a time period of 18 months after his original investment;
- That on or about January 22, 2005, Respondents Rodrick James Rieman, Michael J. Crook, Z. Touch and Innovative Financial Services, their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, offered and sold to RA and DA (husband and wife), Illinois residents, a Kiosk Agreement whereby RA and DA paid \$22,500 from their IRA account for 3 units of Z. Touch Systems Kiosk from Respondents at a rate of \$7,500 per machine, to be managed and serviced by

Respondents, and in return for said investment, RA and DA were promised to receive 36 monthly interest payments in the amount of \$337.50 with the condition that if each payment is not paid on time, the remaining balance will be subject to interest at an annual rate of 18%; Respondents further promised to pay RA and DA the total principal amount at the end of the aforesaid 36 months,

- 7 That on or about August 17, 2005, Respondents Rodrick James Rieman, Michael J. Crook, Z. Touch and Innovative Financial Services, their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, offered and sold to RA and DA (husband and wife), Illinois residents, a Kiosk Agreement whereby RA and DA paid \$30,000, consisting of payment from their IRA account in the amount of \$29,087 56 plus accrued interest in the amount of \$912.44 from the January 22, 2005, transaction, for 4 units of Z Touch Systems Klosk from Respondents at a rate of \$7,500 per machine, to be managed and serviced by Respondents, and in return for said investment, RA and DA were promised to receive 36 monthly interest payments in the amount of \$436.30 with the condition that if each payment is not paid on time, the remaining balance will be subject to interest at an annual rate of 18%, Respondents further promised to pay RA and DA the total principal amount at the end of the aforesaid 36 months,
- That the above referenced Klosk Agreements and Letter of Intent are investment contracts and are therefore securities 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");
- That at all times relevant hereto, Respondents Rodrick James Rieman, Michael J. Crook, Z Touch and Innovative Financial Services, their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, 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,
- 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,

- 11. That Section 12.A of the Act provides, <u>inter alia</u>, 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;
- 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 provisions of the Act;
- That by virtue of the foregoing, Respondents Rodrick James Rieman, Michael J. Crook, Z Touch and Innovative Financial Services, their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, have violated Sections 12.A and 12.D of the Act,
- That WU did not receive any return of his original investment nor 112,500 shares of Z Touch by October 12, 2005, a time period of 18 months after his original investment, or at any time thereafter,
- That on or about July 12, 2005, RA and DA received a check from Respondents in the amount of \$337.50 which represented an interest payment on their aforesaid investments with Respondents,
- 16. That RA and DA have received no further monthly interest checks or return of any kind on their investments stated in paragraphs 6 through 8 with Respondents;
- 17. That at all times relevant, Respondents failed and refused to apprise RA, DA, and WU of any risks pertaining to their investments stated in paragraphs 5 through 8 that might prevent the express terms of the aforesaid Kiosk Agreements and Letter of Intent, including the payment of interest and repayment of principal as promised, from being honored and carried out;
- 18. That Respondents entered into the aforesaid August 17, 2005, Kiosk Agreement with RA and DA only two months prior their default of the repayment of principal due to WU on October 12, 2005, when Respondents knew or should have known the specific risks involved in the purchase of the aforesaid Kiosk Agreement that could prevent payment of the stated interest payments and

principal, but failed to disclose such risks to RA and DA at the time of August 17th transaction,

- 19. That Section 12 F of the Act provides, inter alia, that it shall be a violation of the Act for any person to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof;
- That Section 12 G of the Act provides, inter alia, that it shall be a violation of the Act for any person to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading;
- That by virtue of the foregoing, Respondents Rodrick James Rieman, Michael J. Crook, Z Touch and Innovative Financial Services, their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, have violated Sections 12 F and 12 G of the Act;
- That Section 11.F.(2) of the Act provides, inter alia, that the Secretary of State may temporarily suspend or prohibit the offer or sale of securities by any person if the Secretary of State in his or her opinion, based upon credible evidence, deems it necessary to prevent an imminent violation of the Act or to prevent losses to investors which the Secretary of State reasonably believes will occur as a result of a prior violation of the Act.
- That based upon the foregoing, the Secretary of State deems it necessary, in order to prevent imminent and additional violations of the Act, and to prevent losses to investors as a result of the referenced prior violation of the Act, to enter an order pursuant to the authority granted under Section 11.F of the Act which prohibits Respondents Rodrick James Rieman, Michael J. Crook, Z Touch Systems, Inc., and Innovative Financial Services, Inc., their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, from offering and/or selling securities in the State of Illinois, and

24. That based upon the credible evidence available to the Secretary of State, the entry of this Temporary Order is in the public interest and is consistent with the purposes of the Act.

NOW THEREFORE, IT IS HEREBY ORDERED THAT pursuant to the authority granted by Section 11.F of the Act, Respondents Rodrick James Rieman, Michael J. Crook, Z Touch Systems, Inc., and Innovative Financial Services, Inc., their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, are hereby PROHIBITED from offering and/or selling securities in or from the State of Illinois until further order of the Secretary of State.

NOTICE is hereby given that the Respondents may request a hearing on this matter by transmitting such request in writing to Securities Director, Illinois Securities Department, 300 West Jefferson, Suite 300A, Springfield, Illinois 62702—Such request must be made within thirty (30) days of the date of entry of this Temporary Order—Upon receipt of a request for hearing, a hearing will be scheduled—Request for hearing will not stop the effectiveness of this Temporary Order and will extend the effectiveness of this Temporary Order for ninety days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) DAYS AFTER ENTRY OF THIS TEMPORARY ORDER SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND CONSTITUTES SUFFICIENT BASIS TO MAKE THE TEMPORARY ORDER FINAL

ENTERED: This

2nd day of 7

une, 2006

JESSE WHITE

Secretary of State State of Illinois

Attorney for the Secretary of State.

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