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Texas State Securities Board

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JACK D. LADD
MEMBER

BRYAN K. BROWN
MEMBER

SSB Docket No. 03-017

**IN THE MATTER OF
EAST COAST IMAGING OF FLORIDA,
INC.; HEARTSCAN EAST COAST
IMAGING, LLC; SUNRISE CONSULTING;
DONALD E. NELSON; JERRY L. AUBREY;
JOSH BLALOCK; FRANK LEPPANEN;
AND CAROL AUBREY**

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Order No. CDO-1508

**TO: East Coast Imaging of Florida, Inc.
425 N. Clyde Morris Boulevard
Daytona Beach, Florida 32114**

**Donald E. Nelson
425 N. Clyde Morris Boulevard
Daytona Beach, Florida 32114
and**

**HeartScan East Coast Imaging, LLC
619 Garden Street
Titusville, Florida 32796**

**619 Garden Street
Titusville, Florida 32796**

**Sunrise Consulting
425 N. Clyde Morris Boulevard
Daytona Beach, Florida 32114**

**Jerry L. Aubrey
425 N. Clyde Morris Boulevard
Daytona Beach, Florida 32114**

**Carol Aubrey
425 N. Clyde Morris Boulevard
Daytona Beach, Florida 32114**

**Frank Leppanen
425 N. Clyde Morris Boulevard
Daytona Beach, Florida 32114**

**Josh Blalock
425 N. Clyde Morris Boulevard
Daytona Beach, Florida 32114**

EMERGENCY CEASE AND DESIST ORDER

This is your OFFICIAL NOTICE of the issuance by the Securities Commissioner of the State of Texas ("Securities Commissioner") of an EMERGENCY CEASE AND DESIST ORDER pursuant to Section 23-2 of The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2003) ("Texas Securities Act").

The Staff of the Enforcement Division ("the Staff") of the Texas State Securities Board ("the Securities Board") has presented evidence sufficient for the Securities Commissioner to find that:

FINDINGS OF FACT

1. East Coast Imaging of Florida, Inc. ("Respondent ECI") is a Nevada corporation with a last known business address of 425 N. Clyde Morris Boulevard, Daytona Beach, Florida 32114.
2. HeartScan East Coast Imaging, LLC ("Respondent HECI") is a Florida limited liability company with a last known business address of 619 Garden Street, Titusville, Florida 32796.
3. Donald E. Nelson ("Respondent Nelson") is an individual who, at all times material to this Order, has been President and Director of Respondent ECI and a managing member of both Respondent HECI and HeartScan East Coast Imaging Saint Petersburg, LLC ("HECISP"), and whose last known business addresses are the same as Respondents ECI and HECI.
4. Jerry L. Aubrey ("Respondent J. Aubrey") is an individual, who at all times material to this Order, has been a principal of, and acted as salesperson of, Respondent ECI as described herein, and whose last known business address is the same as Respondent ECI.
5. Sunrise Consulting ("Respondent Sunrise") is a Florida company with a last known business address of 425 N. Clyde Morris Boulevard, Daytona Beach, Florida 32114.
6. Carol Aubrey ("Respondent C. Aubrey") is an individual, who at all times material to this Order, has been Secretary and Director of Respondent ECI, a managing member and Secretary of both Respondent HECI and HECISP, and an employee of Respondent Sunrise as described herein, and whose last known business addresses are the same as Respondents ECI and Sunrise.
7. Frank Leppanen ("Respondent Leppanen") is an individual, who at all times material to this Order, has been Senior Account Manager of, and acted as a salesperson of, Respondent ECI as described herein, and whose last known business address is the same as Respondent ECI.
8. Josh Blalock ("Respondent Blalock") is an individual who, at all times material to this Order, has acted as a salesperson of Respondent ECI as described herein, and whose last known business address is the same as Respondent ECI.
9. On or about December 18, 2002, a salesperson for Respondent ECI identified as "Jeannette" contacted, via a cold call, a Texas resident ("Offeree") and made available an opportunity to purchase an investment described as a HeartScan

Imaging Center being established to offer total body scans to the public in Florida. "Jeannette", on behalf of Respondent ECI, represented to the Offeree that:

- a. an investor of \$15,000.00 could expect returns of 20-70% per year;
 - b. Respondent ECI intended to do an initial public offering ("IPO") of its securities within the coming year;
 - c. additional information on the investment opportunity was available on a website located at url address <http://heartscaneci.com>, and
 - d. a Private Placement Memorandum ("PPM") would be mailed to the Offeree that explained the details of the offering.
10. From on or about December 22, 2002, to the present, documents contained on the website located at url address <http://heartscaneci.com> included a PPM for Respondent HECI. The PPM for Respondent HECI's offering states that:
- a. it is for the sale of six hundred (600) units in Respondent HECI, to accredited investors at \$5,000.00 per unit, for a maximum offering price of \$3,000,000.00;
 - b. the objective of Respondent HECI is to finance, develop, own, and operate an Imaging Center in Daytona Beach, Florida, utilizing Electron Beam Tomography ("EBT") technology, so as to provide a reasonable return on investments for the unit holders and build a profitable operating business; and
 - c. Respondent Nelson is an Officer and Director of Respondent HECI.
11. Respondent HECI, in connection with the offer for sale of units in Respondent HECI, did not disclose in Respondent HECI's PPM that:
- a. the South Dakota Department of Commerce & Regulation, Division of Securities, on or about February 1, 2002, issued a Cease and Desist and Refrain Order against Respondent HECI and its officers, directors, brokers, agents and employees to prevent their sale of securities in South Dakota;
 - b. the Missouri Office of Secretary of State, on or about October 31, 2001, issued a Cease and Desist Order, Order No. CD-01-34, against Respondents HECI and Nelson, to prevent their sale of securities in Missouri; and
 - c. the Pennsylvania Securities Commission, on or about March 19, 2002, issued a Summary Order to Cease and Desist, Docket No. 2002-03-08, to HECISP and Respondent Nelson, to prohibit their sale of securities in Pennsylvania.

12. On or about December 20, 2002, Respondent C. Aubrey, on behalf of Respondent Sunrise, sent, or caused to be sent to the Offeree, a PPM for Respondent ECI and a subscription agreement for the purchase of shares of common stock in Respondent ECI. The PPM for Respondent ECI's offering states that:
 - a. in order to fund operations of Respondent ECI and to acquire a third EBT scanner, Respondent ECI was offering five million (5,000,000) shares of Respondent ECI's common stock at \$1.00 per share;
 - b. an investment in the stock of Respondent ECI involves a high degree of risk;
 - c. on December 12, 2002, Respondent ECI signed an agreement to acquire Respondent HECI, which owns an imaging center at 425 N. Clyde Morris Boulevard, Daytona, Beach, Florida, and HECISP, which owns a contract to purchase an additional EBT scanner to be put into service in a Saint Petersburg, Florida, imaging center;
 - d. Respondent Nelson is President and a Director of Respondent ECI; and
 - e. Respondent C. Aubrey is Secretary and a Director of Respondent ECI.
13. On or about January 3, 2003, and on or about January 9, 2003, Respondent Leppanen, on behalf of Respondent ECI, telephoned the Offeree and made available an opportunity to purchase common stock in Respondent ECI. Respondent Leppanen, on behalf of Respondent ECI, represented that:
 - a. Respondent HECI and HECISP were being merged into Respondent ECI, but the internal structure of the company would remain the same;
 - b. the Offeree would be making a large profit in less than a year with little risk involved; and
 - c. Respondent ECI would be listed on the American Stock Exchange ("AMEX") through an IPO in August of 2003, and that investors could sell their stock at that time.
14. On or about January 6, 2003, and on or about February 5, 2003, Respondent J. Aubrey, on behalf of Respondent ECI, telephoned the Offeree and made available an opportunity to purchase common stock in Respondent ECI. Respondent J. Aubrey, on behalf of Respondent ECI, represented that:
 - a. the offering would be making a large profit in less than a year with little risk involved;
 - b. Respondent J. Aubrey, along with Respondent Nelson, had started Respondent ECI about two years ago;

- c. Respondent ECI would be listed on the AMEX through an IPO in August of 2003, and that investors could sell their stock at that time; and
 - d. Respondent Sunrise was a marketing firm that was responsible for the sale of Respondent ECI's stock.
15. Respondent ECI, in connection with the offer for sale of its common stock, did not disclose in Respondent ECI's PPM that:
- a. Respondent J. Aubrey is a principal of Respondent ECI;
 - b. the South Dakota Department of Commerce & Regulation, Division of Securities, on or about February 1, 2002, issued a Cease and Desist and Refrain Order against Respondent HECI and its officers, directors, brokers, agents and employees to prevent their sale of securities in South Dakota;
 - c. the Missouri Office of Secretary of State, on or about October 31, 2001, issued a Cease and Desist Order, Order No. CD-01-34, against Respondents HECI and Nelson, to prevent their sale of securities in Missouri;
 - d. the Pennsylvania Securities Commission, on or about March 19, 2002, issued a Summary Order to Cease and Desist, Docket No. 2002-03-08, to HECISP and Respondent Nelson, to prohibit their sale of securities in Pennsylvania;
 - e. the Wisconsin Department of Financial Institutes, Division of Securities, on or about January 14, 1999, issued a Summary Order of Prohibition and Revocation of Exemptions, File No. S-98105(EX), against Respondent J. Aubrey, to prohibit his sale of securities in Wisconsin;
 - f. the Superintendent of Securities of the State of Iowa, on or about July 2, 1996, issued a Cease and Desist Order, C96-04-477, against Respondent J. Aubrey, to prohibit his sale of securities in Iowa; and
 - g. Respondent J. Aubrey was permanently enjoined in a Securities and Exchange Commission ("SEC") action, from future violations of Section 15(a)(1) of the Securities Exchange Act, in the United States District Court, District of California, Civil Division, Civil Action No. 98-6509, on or about March 18, 1999.
16. On or about February 12, 2003, Respondent Blalock, on behalf of Respondent ECI, telephoned the Offeree and made available an opportunity to purchase common stock in Respondent ECI. Respondent Blalock, on behalf of Respondent ECI, represented to the Offeree knowledge of the SEC action against Respondent J. Aubrey and the orders from Missouri and Pennsylvania against Respondents HECI and Nelson, and HECISP and Respondent Nelson, respectively.

17. The common stock in Respondent ECI and the units in Respondent HECI have not been registered with the Securities Commissioner by qualification, notification or coordination and no permit has been granted for their sales in Texas.
18. Respondents ECI, HECI, Sunrise, Nelson, J. Aubrey, C. Aubrey, Leppanen, and Blalock (collectively "Respondents"), at all times relevant to this Order, were not registered with the Securities Commissioner as securities dealers, agents, investment advisers, or investment adviser representatives.

CONCLUSIONS OF LAW

1. The common stock in Respondent ECI and the units in Respondent HECI are "securities" as that term is defined in Section 4.A of the Texas Securities Act.
2. Respondents have engaged in the "offer for sale" of securities as that term is defined in Section 4.E of the Texas Securities Act.
3. Respondents violated the Texas Securities Act by offering for sale securities in Texas at a time when the securities were not registered with the Securities Commissioner, as required by Section 7 of the Texas Securities Act.
4. Respondents have acted as "dealers" and/or "agents" as those terms are defined in Sections 4.C and 4.D of the Texas Securities Act.
5. Respondents violated the Texas Securities Act by offering for sale securities in Texas at a time when the Respondents were not registered with the Securities Commissioner as required by Section 12 of the Texas Securities Act.
6. Respondent ECI, by and through a representative named "Jeanette", has made an offer to sell securities in Texas and such offer is materially misleading or otherwise likely to deceive the public by representing that an investor of \$15,000.00 could expect returns of 20-70% per year and Respondent ECI intended to do an IPO within the coming year; in light of the fact that Respondent ECI's PPM states that an investment in Respondent ECI's stock involves a high degree of risk and does not reflect an anticipated time frame for Respondent ECI's IPO or provide information regarding the process, including expenses and fees, involved in an IPO.
7. Respondent HECI has made an offer to sell securities in Texas and such offer is materially misleading or otherwise likely to deceive the public, in light of the fact that Respondent HECI's PPM fails to disclose that:
 - a. the South Dakota Department of Commerce & Regulation, Division of Securities, on or about February 1, 2002, issued a Cease and Desist and Refrain Order against Respondent HECI and its officers, directors, brokers, agents and employees to prevent their sale of securities in South Dakota;

- b. the Missouri Office of Secretary of State, on or about October 31, 2001, issued a Cease and Desist Order, Order No. CD-01-34, against Respondents HECI and Nelson, to prevent their sale of securities in Missouri; and
 - c. the Pennsylvania Securities Commission, on or about March 19, 2002, issued a Summary Order to Cease and Desist, Docket No. 2002-03-08, to HECISP and Respondent Nelson, to prohibit their sale of securities in Pennsylvania.
8. Respondent ECI has made an offer to sell securities in Texas and such offer is materially misleading or otherwise likely to deceive the public, in light of the fact that Respondent ECI's PPM fails to disclose that:
- a. Respondent J. Aubrey is a principal of Respondent ECI;
 - b. the South Dakota Department of Commerce & Regulation, Division of Securities, on or about February 1, 2002, issued a Cease and Desist and Refrain Order against Respondent HECI and its officers, directors, brokers, agents and employees to prevent their sale of securities in South Dakota;
 - c. the Missouri Office of Secretary of State, on or about October 31, 2001, issued a Cease and Desist Order, Order No. CD-01-34, against Respondents HECI and Nelson, to prevent their sale of securities in Missouri;
 - d. the Pennsylvania Securities Commission, on or about March 19, 2002, issued a Summary Order to Cease and Desist, Docket No. 2002-03-08, to HECISP and Respondent Nelson, to prohibit their sale of securities in Pennsylvania;
 - e. the Wisconsin Department of Financial Institutions, Division of Securities, on or about January 14, 1999, issued a Summary Order of Prohibition and Revocation of Exemptions, File No. S-98105(EX), against Respondent J. Aubrey, to prohibit his sale of securities in Wisconsin;
 - f. the Superintendent of Securities of the State of Iowa, on or about July 2, 1996, issued a Cease and Desist Order, C96-04-477, against Respondent J. Aubrey, to prohibit his sale of securities in Iowa; and
 - g. Respondent J. Aubrey was permanently enjoined in a SEC action, from future violations of Section 15(a)(1) of the Securities Exchange Act, in the United States District Court, District of California, Civil Division, Civil Action No. 98-6509, on or about March 18, 1999.
9. Respondent ECI, by and through Respondent Leppanen, has made an offer to sell securities in Texas that is materially misleading or otherwise likely to deceive the public by representing that the potential investors would be making a large profit in less than a year with little risk involved and that Respondent ECI would be listed on

the American Stock Exchange ("AMEX") through an IPO in August of 2003; in light of the fact that Respondent ECI's PPM states that an investment in Respondent ECI's stock involves a high degree of risk and does not reflect an anticipated time frame for Respondent ECI's IPO or provide information regarding the process, including expenses and fees, involved in an IPO.

10. Respondent ECI, by and through Respondent J. Aubrey, has made an offer to sell securities in Texas that is materially misleading or otherwise likely to deceive the public by representing that the offering would be making a large profit in less than a year with little risk involved and Respondent ECI would be listed on the AMEX through an IPO in August of 2003, in light of the fact that:
 - a. Respondent ECI's PPM states that an investment in Respondent ECI's stock involves a high degree of risk;
 - b. Respondent ECI's PPM does not reflect an anticipated time frame for Respondent ECI's initial public offering or provide information regarding the process, including expenses and fees, involved in a IPO; and
 - c. Respondent J. Aubrey failed to disclose that:
 - (i) the Wisconsin Department of Financial Institutes, Division of Securities, on or about January 14, 1999, issued a Summary Order of Prohibition and Revocation of Exemptions, File No. S-98105(EX), against Respondent J. Aubrey, to prohibit his sale of securities in Wisconsin;
 - (ii) the Superintendent of Securities of the State of Iowa, on or about July 2, 1996, issued a Cease and Desist Order, C96-04-477, against Respondent J. Aubrey, to prohibit his sale of securities in Iowa; and
 - (iii) Respondent J. Aubrey was permanently enjoined in a SEC action from future violations of Section 15(a)(1) of the Securities Exchange Act, in the United States District Court, District of California, Civil Division, Civil Action No. 98-6509, on or about March 18, 1999.
11. Respondents' conduct, acts and practices threaten immediate and irreparable harm to the public.
12. The foregoing violations constitute bases for the issuance of an Emergency Cease and Desist Order pursuant to Section 23-2 of the Texas Securities Act.

ORDER

1. It is therefore ORDERED that Respondents immediately CEASE AND DESIST from offering securities in Texas until the securities have been registered with the Securities Commissioner or an available exemption from registration is utilized.

2. It is further ORDERED that Respondents immediately CEASE AND DESIST from acting as securities dealers or agents in Texas until the Respondents are registered or an available exemption from registration is utilized.
3. It is further ORDERED that Respondents immediately CEASE AND DESIST from offering for sale or selling securities in Texas through the use of offers that contain statements that are materially misleading or otherwise likely to deceive the public.

NOTICE

Pursuant to Section 23-2 of the Texas Securities Act, you may request a hearing before the 31st day after the date you were served with this Order. The request for a hearing must be in writing, directed to the Securities Commissioner, stating the grounds for the request to set aside or modify the Order. Failure to request a hearing will result in the Order becoming final and non-appealable.

You are advised under Section 29.D of the Texas Securities Act that any knowing violation of an order issued by the Securities Commissioner under the authority of Section 23-2 of the Texas Securities Act is a criminal offense punishable by a fine of not more than \$5,000, or imprisonment in the penitentiary for not more than two years, or by both fine and imprisonment.

SIGNED AND ENTERED by the Securities Commissioner this 16th day of April, 2003.

Denise Voigt Crawford
DENISE VOIGT CRAWFORD
Securities Commissioner